

NEW APPLICATION

ORIGINAL



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Attorneys for Applicant

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AZ CORP COMMISSION
DOCKET CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP, CHAIRMAN
GARY PIERCE
BRENDA BURNS
SUSAN BITTER-SMITH
BOB BURNS

Arizona Corporation Commission

DOCKETED

JUL 31 2013

DOCKETED BY

nr

APPLICATION OF ESTATE OF
WILLIAM F. RANDALL DBA VALLE
VERDE WATER COMPANY FOR AN
INCREASE IN ITS WATER RATES

Docket No. W-01431A-13-0265

RATE APPLICATION

Estate of William F. Randall dba Valle Verde Water Company ("Company" or
"Applicant"), hereby applies for an increase in its water rates.

SUPPORTING DOCUMENTATION

Pursuant to A.A.C. Rule 14-2-103, the Company submits the following
documentation in support of the proposed increase in rates and charges:


- Direct Testimony of Sonn S. Rowell (*see* Exhibit 1);
- Required Schedules, Statements, and Documentation (*see* Exhibit 2);
- Water Use Data Sheets (*see* Exhibit 3);

- 1 • Plant Descriptions (*see* Exhibit 4);
- 2 • Monitoring Assistance Program Sampling Fee Invoices (*see* Exhibit 5); and
- 3 • Surcharge Compliance Data (*see* Exhibit 6).

4
5 To be clear, the Surcharge Compliance Data is being submitted as part of the application
6 even though by the time the rate case is decided, the Interim Manager debt should be
7 repaid as required by Order 73353. The surcharge is not analyzed in the rate application
8 because it should be resolved before new rates take effect. However, in the off chance
9 that a small amount of debt still remains when the order is issued in this case, the
10 Applicant will request a provision that confirms the surcharge will remain in place until
11 full repayment occurs.

12
13
14 RESPECTFULLY SUBMITTED this 31st day of July, 2013.

15
16 **MOYES SELLERS & HENDRICKS LTD.**

17 
18 _____
19 Steve Wene

20 Original and 13 copies of the foregoing
21 filed this 31st day of July, 2013, with:

22 Docket Control
23 Arizona Corporation Commission
24 1200 West Washington
25 Phoenix, Arizona 85007

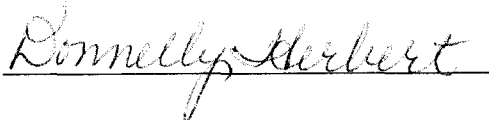
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27 
28 _____

EXHIBIT 1

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2

3 **COMMISSIONERS**

4 BOB STUMP, CHAIRMAN

5 GARY PIERCE

6 BRENDA BURNS

7 SUSAN BITTER SMITH

8 BOB BURNS

9

10 **APPLICATION OF ESTATE OF**

11 **WILLIAM F. RANDALL DBA VALLE**

12 **VERDE WATER COMPANY FOR AN**

13 **INCREASE IN ITS WATER RATES**

14

15 **DIRECT TESTIMONY OF**

16 **SONN S. ROWELL**

17

18 **Q-1 Please state your name and current employment position:**

19 **A-1** My name is Sonn S. Rowell, and I am a Certified Public Accountant and

20 Regulatory Consultant. I am also a managing member of Desert Mountain Analytical

21 Services, PLLC ("DMAS").

22 **Q-2 Describe your educational and professional background:**

23 **A-2** I hold a Bachelor of Science Degree in Accounting from Arizona State University,

24 as well as my CPA certification from the Arizona State Board of Accountancy. I have

25 worked for many years in the practice of small business public accounting and regulatory

26 consulting, and have held part-time accountancy teaching positions at Mesa Community

27 College. After employment with the Accounting and Rates Section of the Utilities

28 Division at the Arizona Corporation Commission ("Commission") for four years, I

formed DMAS and now specialize primarily in regulatory accounting and consulting.

1 **Q-3 By whom are you employed and in what capacity?**

2 **A-3** I have been retained by the management of Valle Verde Water Company, ("Valle
3 Verde" or "Company") to prepare a Class C rate application for submittal to the
4 Commission as ordered in Decision 71899.

5 **Q-4 What is the purpose of your testimony?**

6 **A-4** The purpose of my testimony is to present my analysis and recommendations
7 concerning the development of Valle Verde's gross revenue requirement, taking into
8 account rate base, adjusted operating income, working capital requirements, current rate
9 of return, required operating income, required rate of return for the historic twelve month
10 period, and other relevant factors to sponsor certain exhibits in support of the rate
11 application.

12 **Q-5 Please summarize the Company's proposal.**

13 **A-5** Valle Verde is seeking an increase in gross revenue requirement of approximately
14 \$170,653, or a rate increase of approximately 25.41% over actual test year revenue, for
15 its customers to pay for increased operational expenses, and provide conditional cash
16 flow.

17 **Q-6 What is the basis for your recommendation?**

18 **A-6** I analyzed the Company's records to determine the adjusted revenues and
19 expenses during the test year ending December 31, 2012. Next, I calculated a reasonable
20 revenue requirement in order to ensure the Company can earn sufficient revenue to pay
21 ongoing operating expenses, the debt service on the loan, and ongoing system
22 improvements which will enable the Company to continue to provide adequate and
23 reliable water service to its customers. Based upon my analysis, I have prepared the
24 schedules in accordance with A.A.C. Rule 14-2-103 that are set forth in Application
25 Exhibit 2, which I adopt as part of my testimony.

26 **Q-7 Did the Company adjust actual test year amounts for plant and other rate**
27 **base items?**

28 **A-7** No.

1 **Q-8 Please identify and explain the adjustments made on Schedule C-1 – Adjusted**
2 **Test Year Income Statement of this application.**

3 **A-8** Adjustment A removes surcharge revenue in the amount of \$40,277 from test year
4 revenue. This adjustment is necessary as that revenue is not used to pay for ongoing
5 operating expenses, but to pay past due management fees as authorized in Decision
6 73353, and therefore is not part of the revenue requirement calculation.

7 **Q-9 Please explain Adjustment B on Schedule C-2a.**

8 **A-9** Adjustment B as delineated on Schedule C-2a calculates the increase to salaries
9 and wages to an amount that reflects the same hourly rate all year. During the 2012 test
10 year, the employees of Valle Verde were given salary increases that required an
11 adjustment of \$4,350 to the test year.

12 **Q-10 Please explain Adjustment C.**

13 **A-10** Adjustment C decreases Purchased Water by \$1,657. This was a final payment to
14 the City of Nogales and is considered a non-recurring expense.

15 **Q-11 Please explain Adjustment D.**

16 **A-11** Adjustment D on Schedule C-2b increases Transportation Expense by \$5,577 to
17 include fuel costs incurred by Valle Verde employees during the test year. Due to Valle
18 Verde's ownership and financial positions, they are unable to obtain credit. As a result,

19 the interim management company, Southwestern Utility Management, Inc.
20 ("Southwestern" or "Interim Manager") has provided the lead employee with a credit
21 card to fuel employee vehicles. These expenses were billed in 2013, thus requiring an
22 adjustment to include known and measurable expenses.

23 **Q-12 How did you determine the amount of proposed rate case expense?**

24 **A-12** The estimate for Adjustment E includes \$60,000 of total expense amortized over 5
25 years, or \$12,000 per year.

26 **Q-13 Please explain how you calculated Adjustment F to depreciation expense.**

27 **A-13** Schedule C-2c begins with plant in service at the end of the test year, and applies
28 depreciation rates currently in effect, resulting in depreciation expense of \$163,889. This

1 amount must be reduced by \$62,873 to account for CIAC amortization, resulting in
2 adjusted depreciation expense of \$101,017. Since test year depreciation expense was
3 \$89,209, this represents an increase of \$11,808 over actual test year actual expenses.

4 **Q-14 Please explain Adjustment G on Schedule C-1.**

5 **A-14** Adjustment G increases Taxes Other Than Income by \$333, as depicted on
6 Schedule C-2a as the payroll taxes related to the increase to Salaries and Wages in
7 Adjustment B.

8 **Q-15 Please explain Adjustments H1 and H2 to property tax expenses as illustrated**
9 **on Schedule C-2d.**

10 **A-15** Adjustment H1 increases test year property tax expense by \$8,778 to \$18,558, as a
11 result of the standard ADOR calculation. Adjustment H2 increases proposed property tax
12 expense by \$2,231, from the adjusted test year calculated amount of \$18,558, to \$20,789
13 at proposed rates.

14 **Q-16 Please explain Adjustment I to Income Tax Expense.**

15 **A-16** Schedule C-2e delineates the calculation for adjusted test year income tax expense,
16 based upon the test year adjusted income at estate tax rates.

17 **Q-17 What is the purpose of Adjustment J?**

18 **A-17** Adjustment J removes \$800 of below-the-line, non-recurring income related to the
19 sale of some old, unused equipment.

20 **Q-18 What is the purpose of Adjustment K?**

21 **A-18** Adjustment K removes a cumulative year end adjustment to bring depreciation
22 expense on the books of Valle Verde to correct regulatory amounts. This is a below-the-
23 line, non-recurring expense adjustment.

24 **Q-19 How was Adjustment L determined?**

25 **A-19** Adjustment L increased metered water revenue from the adjusted test year amount
26 of \$457,207 by \$170,653 to \$627,860 for Valle Verde, per the calculation set forth on
27 Schedule A-1.

28 **Q-20 Finally, please explain Adjustment M.**

1 **A-20** Adjustment M is detailed on Schedule C-2f, and calculates proposed income tax
2 expense based upon the income at a Federal and Arizona tax rates for estates.

3 **Q-21 Please summarize your rate design for Valle Verde.**

4 **A-21** The rate design proposed by the Company is consistent with its current rate
5 design. The rate design proposed by Valle Verde is intended to spread the impact of the
6 increase over the various classes as equitably as possible to minimize the impact of rate
7 shock on any one class or meter size.

8 **Q-22 Can you explain the impacts of this rate design further on the 5/8 by 3/4 inch**
9 **residential customers?**

10 **A-22** The 5/8 by 3/4 inch residential meters and 3/4 inch residential meters are the two
11 largest classes of users. The 5/8 by 3/4 inch residential meter class will experience an
12 average increase of 39.07% as depicted on Schedule H-1, Line 1, based upon average
13 usage of 6,049 gallons per month. The monthly bill for these customers will increase
14 \$10.94, from \$30.74 to \$41.68, or 35.59%. That is a total increase of \$131.28 per year
15 for the average user in this meter size and class.

16 **Q-23 Can you explain the impacts of this rate design on the 3/4 inch residential**
17 **customers?**

18 **A-23** The 3/4 inch residential meter class will experience an average increase of 39.30%
19 as depicted on Schedule H-1, Line 2, based upon average usage of 6,152 gallons per
20 month. The monthly bill for these customers will increase \$11.03, from \$31.04 to
21 \$42.07, or 35.53%. That is \$132.36 per year for the average user in this meter size and
22 class.

23 **Q-24 Please explain Schedule A-1 and the calculation to determine the revenue**
24 **requirement?**

25 **A-24** Lines 1 through 8 of Schedule A-1 is where the revenue requirement would
26 normally be calculated using the rate of return on rate base method. Since Valle Verde
27 has substantial negative rate base due to large amounts of developer AIAC being repaid
28

1 at a rate substantially less than the associated depreciation expense, the rate of return on
2 rate base method is not possible.

3 **Q-25 What method did Valle Verde use to calculate the revenue requirement?**

4 **A-25** The Company evaluated many different factors in determining an appropriate
5 revenue requirement that incorporated the operating margin as reflected on lines 9
6 through 14 of Schedule A-1, Company cash flow as delineated on lines 15 through 23, as
7 well as the WIFA DSCR on lines 24 through 27.

8 **Q-26 Why did you perform these different analyses on the A-1?**

9 **A-26** These calculations and comparisons are an integral part of my point. First, the
10 amount of increase that the customers will experience is very reasonable, both in terms of
11 percentage and dollar amount considering that this utility continues to struggle, even
12 though its last rate case had a test year of 2008. Second, the amount of conditional cash
13 flow the Company might be able to count upon if revenue and expense parameters remain
14 unchanged from the adjusted test year, is only 7.49% of proposed revenue. This is
15 \$4,016 per month (\$48,195 divided by 12 months), for a system with 766 average
16 customers in the test year, and \$4.18 million dollars worth of gross plant in service. Once
17 all the operating expenses are paid, debt service on the WIFA loan is satisfied, and AIAC
18 repayments are made, Valle Verde will still only have 1.15% of the gross value of the
19 plant (\$4,180,261 divided by \$48,195) in potential conditional cash to pay for larger,
20 immediate repairs. Finally, a DSCR of 1.37 is reasonable and well within the parameters
21 of what Staff has recently approved. To summarize, none of the amounts on Schedule A-
22 1 or those discussed could be considered unreasonably high; in fact, an argument can still
23 be made that the revenue requirement is too low.

24 **Q-27 Why is that?**

25 **A-27** As reflected on Schedule E-7 and discussed on Schedule F-4, Valle Verde has lost
26 almost 7% of its customer base since 2010, and customer demand during that same
27 period of time decreased by nearly 8.5%. Both of these factors have contributed to the
28 Company continuing to struggle to meet its financial obligations. Per Decision 71899,

1 the revenue requirement adopted was \$561,730, of which \$6,033 was not metered water
2 revenue. This left a revenue requirement from metered water revenue of \$555,697.
3 Valle Verde's metered water revenue during 2011 and 2012 was \$465,819 and \$457,207
4 respectively. Clearly the Company has never even come close to hitting the metered
5 water revenue target in the two years these rates have been in effect. In fact, as
6 delineated on Schedule E-2, Valle Verde has not even earned total revenue that hits the
7 revenue target of \$555,697 including other revenue and surcharge revenue. The amount
8 of cumulative lost revenue for those two years alone that can never be recovered is in
9 excess of \$188 thousand dollars.

10 **Q-28 Does your analysis address the current surcharge authorized by Order 73353**
11 **intended to pay the Company's debt to the Interim Manager?**

12 A-28 No. By the time this rate case is decided, the Interim Manager debt should be
13 repaid. If the debt still exists, however, then the Applicant will ask that the provision in
14 Order 73353 remain in place until the full repayment occurs.

15 **Q-29 Does this conclude your testimony?**

16 A-29 Yes.
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18
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EXHIBIT 2

Explanation:
Schedule showing computation of increase in
gross revenue requirements and spread of revenue
increase by customer classification.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Special Reqmt	<input type="checkbox"/>

	Original Cost		RCND
1 Adjusted Rate Base	\$ (351,683)	(a)	
2 Adjusted Operating Income	\$ (26,332)	(b)	
3 Current Rate of Return	N/A		
4 Required Operating Income	\$ 86,099		
5 Required Rate of Return	N/A		
6 Operating Income Deficiency (4 - 2)	\$ 112,431		
7 Gross Revenue Conversion Factor	1.5178	(c)	(c)
8 Increase in Gross Revenue Requirements (6 x 7)	\$ 170,653		
9 Proposed Revenue	\$ 643,444	(b)	(b)
10 Required Operating Margin	13.38%		
11 Required Operating Income (9 x 10)	\$ 86,099		
12 Operating Income Deficiency (11 - 2)	\$ 112,431		
13 Gross Revenue Conversion Factor	1.5178	(c)	(c)
14 Increase in Gross Revenue Requirements (12 x 13)	\$ 170,653		
15 Cash Flow calculation			
16 Net Income	\$ 83,586	(b)	(b)
17 Depreciation Expense	101,017	(b)	(b)
18 Estimated Cash Available (16 + 17)	\$ 184,603		
19 Annual WIFA Payments	(112,812)		
20 Annual AIAC Repayments	(23,596)		
21 Estimated Conditional Cash Flow (18 + 19 + 20)	\$ 48,195		
22 Proposed Revenue	\$ 643,444	(b)	(b)
23 Conditional Cash Flow as Percent of Revenue (21 / 22)	7.49%		
24 WIFA DSCR calculation			
25 Proposed Operating Income plus Depreciation	\$ 187,116		
26 Annual Debt Service Amount + AIAC repayments	136,408		
27 Debt Service Coverage Ratio (15 / 16)	1.37		

	Customer Classification	Revenue at Present Rates	Revenue at Proposed Rates	Dollar Increase	Percent Increase	
28 Residential	\$	275,743	\$ 383,628	\$ 107,885	39.13%	(d)
29 Commercial		64,843	89,208	24,365	37.57%	
30 Government		116,261	154,522	38,261	32.91%	
31 Hydrant		360	503	143	39.76%	
32 Surcharge		40,277	-	(40,277)	-100.00%	
33 Other Revenue		15,584	15,584	-	0.00%	
34 Total	\$	513,068	\$ 643,444	\$ 130,376	25.41%	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

(a) B-1 (b) C-1 (c) C-3 (d) H-1

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule A-2
Title: Summary Results of Operations

Explanation:

Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Specd Reqmt ☐

Description	<u>Prior Years</u>		<u>Test Year</u>		<u>Projected Year</u>	
	Year End	Year End	Actual	Adjusted	Present	Proposed
	31-Dec-10	31-Dec-11	Rates	Rates	Rates	Rates
	(a)	(a)	(a)	(b)	(c)	(c)
1. Gross Revenues	\$ 438,803	\$ 532,796	\$ 513,068	\$ 472,791	\$ 472,791	\$ 643,444
2. Revenue Deductions & Operating Expenses	(562,547)	(539,828)	(465,551)	(499,123)	(499,123)	(557,345)
3. Operating Income	\$ (123,744)	\$ (7,032)	\$ 47,517	\$ (26,332)	\$ (26,332)	\$ 86,099
4. Other Income and Deductions	(1,154)	3,438	(298,724)	-	-	-
5. Interest Expense	(1,810)	(911)	(2,513)	(2,513)	(2,513)	(2,513)
6. Net Income	\$ (126,708)	\$ (4,505)	\$ (253,720)	\$ (28,845)	\$ (28,845)	\$ 83,586

- 7. Earned Per Average Common Share*
- 8. Dividends Per Common Share*
- 9. Payout Ratio*
- 10. Return on Average Invested Capital
- 11. Return on Year End Capital
- 12. Return on Average Common Equity
- 13. Return on Year End Common Equity
- 14. Times Bond Interest Earned - Before Inc Tax
- 15. Times Total Interest and Preferred Dividends Earned - After Income Taxes

Ratios not meaningful due to negative equity amount.

Supporting Schedules:

- (a) E-2
- (b) C-1
- (c) F-1

*Optional for projected year

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule A-4
Title: Construction Expenditures and
Gross Utility Plant in Service

Explanation:

Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Year	Construction Expenditures (a)	Net Plant Placed In Service (b)	Gross Utility Plant In Service
1. Prior Year 1 - 2010	\$ 70,041	\$ 29,105	\$ 3,128,719
2. Prior Year 2 - 2011	75,265	18,101	3,146,820
3. Test Year - 2012	935,340	1,033,440	4,180,261
4. Projected Year - 2013	391,000	391,000	4,571,261
5. Projected *			
6. Projected *			

*** Required only for Class A and B Utilities**

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) F-3

(b) E-5

Valle Verde Water Company

Test Year Ended December 31, 2012

Schedule B-1**Title: Summary of Original Cost
and RCND**

Explanation:

Schedule showing elements of adjusted original cost
and RCND rate bases.

Required for: All Utilities ☒

Class A ☐

Class B ☐

Class C ☐

Class D ☐

Spec'l Reqmt ☐

	Original Cost Rate Base*	RCND Rate Base*
1 Gross Utility Plant in Service	\$ 4,180,261	
2 Less: Accumulated Depreciation	<u>(2,038,838)</u>	
3 Net Utility Plant in Service	\$ 2,141,422 (a)	(b)
4 Less:		
5 Advances in Aid of Construction	\$ (1,435,957) (c)	(c)
6 Contributions in Aid of Construction	(1,261,919) (c)	(c)
7 Customer Security Deposits	(24,348) (c)	
8 Add:		
9 Amortization of Contributions	\$ 229,119 (c)	
10 Allowance for Working Capital	<u>-</u> (d)	(d)
11 Total Rate Base	<u><u>\$ (351,683)</u></u> (e)	(e)

* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) B-2 (d) B-5

(b) B-3

(c) E-1

Recap Schedules:

(e) A-1

Valle Verde Water Company

Test Year Ended December 31, 2012

Schedule B-2**Title: Original Cost Rate Base****Proforma Adjustments**

Explanation:

Schedule showing pro forma adjustments to gross plant in service and accumulated depreciation, and original cost rate base.

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

☒

	Actual at End Of Test Year (a)	Pro forma Adjustment	Adjusted at End Of Test Year (b)
1 Gross Utility Plant in Service	\$ 4,180,261		\$ 4,180,261
2 Less: Accumulated Depreciation	(2,038,838)		(2,038,838)
3 Net Utility Plant in Service	\$ 2,141,422		\$ 2,141,422
4 Less:			
5 Advances in Aid of Construction	\$ (1,435,957)		\$ (1,435,957)
6 Contributions in Aid of Construction	(1,261,919)		(1,261,919)
7 Customer Security Deposits	(24,348)		(24,348)
8 Plus:			
9 Amortization of Contributions	\$ 229,119		\$ 229,119
10 Allowance for Working Capital	-		-
11 Total Rate Base	\$ (351,683)	\$ -	\$ (351,683)

All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) E-1

Recap Schedules:

(b) B-1

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule B-5
Title: Computation of Working Capital

Explanation:
Schedule showing computation of working capital allowance.

Required for: All Utilities	<input checked="checked" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

	<u>Amount</u>
1. Cash working capital	
1/24th Purchased Power	
1/24th Purchased Water	
1/8th Operation & Maintenance Expense	
2. Materials and Supplies Inventories	(a)
3. Prepayments	(a)
4. Total Working Capital Allowance	<u> </u> (b)
	\$ -

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:
(a) E-1

Recap Schedules:
(b) B-1

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule C-1
Title: Adjusted Test Year Income Statement

Required for: All Utilities ☒ X
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Specil Reqmt ☐

Explanation:
Schedule showing statement of income for the test year,
including pro forma adjustments.

Acct	Description	Actual for Test Year Ended (a) 31-Dec-12	Proforma Adjustments (b)	Test Year Results After Pro Forma Adjustments	Proposed Rate Increase	Adjusted Test Year With Rate Increase
Operating Revenues:						
1	461 Metered Water Revenue	\$ 457,207		\$ 457,207	L \$ 170,653	\$ 627,860
2	461.1 Surcharge Revenue	40,277	A (40,277)	-		-
3	474 Other Water Revenue	15,584		15,584		15,584
4	Total Operating Revenue	\$ 513,068	\$ (40,277)	\$ 472,791	\$ 170,653	\$ 643,444
Operating Expenses:						
5						
6	601 Salaries & Wages	\$ 98,052	B \$ 4,350	\$ 102,402		\$ 102,402
7	610 Purchased Water	1,657	C (1,657)	-		-
8	615 Purchased Power	33,909		33,909		33,909
9	618 Chemicals	1,161		1,161		1,161
10	620 Repairs & Maintenance	18,882		18,882		18,882
11	621 Office Supplies and Expense	27,333		27,333		27,333
12	630 Outside Services	151,235		151,235		151,235
13	635 Water Testing	7,584		7,584		7,584
14	641 Rental Expense			-		-
15	650 Transportation Expense	1,140	D 5,577	6,717		6,717
16	657 Insurance - General Liability	13,290		13,290		13,290
17	659 Insurance - Health and Life			-		-
18	666 Rate Case Expense	-	E 12,000	12,000		12,000
19	675 Miscellaneous Expense	2,626		2,626		2,626
20	403 Depreciation & Amortization	89,209	F 11,808	101,017		101,017
21	408 Taxes Other Than Income	9,157	G 333	9,490		9,490
22	408.11 Property Taxes	9,780	H1 8,778	18,558	H2 2,231	20,789
23	409 Income Taxes	-	I (7,617)	(7,617)	M 55,991	48,374
24	427.2 Customer Security Deposit Interest	536		536		536
25	Total Operating Expenses	\$ 465,551	\$ 33,572	\$ 499,123	\$ 58,222	\$ 557,345
26	OPERATING INCOME/(LOSS)	\$ 47,517	\$ (73,849)	\$ (26,332)	(c) \$ 112,431	\$ 86,099
Other Income/(Expense):						
27						
28	419 Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -
29	421 Other Income	800	J (800)	-		-
30	427 Interest Expense	(2,513)		(2,513)		(2,513)
31	434 Extraordinary Deductions	(299,524)	K 299,524	-		-
32	Total Other Income/(Expense)	\$ (301,237)	\$ 298,724	\$ (2,513)	\$ -	\$ (2,513)
33	NET INCOME/(LOSS)	\$ (253,720)	\$ 224,875	\$ (28,845)	\$ 112,431	\$ 83,586

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:
(a) E-2 (b) C-2

Recap Schedules:
(c) A-1

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule C-2
Title: Income Statement Proforma
Adjustments

Explanation:
Schedule itemizing pro forma adjustments to the test year
income statement.

Required for:	All Utilities	<input checked="checked" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Speci Reqmt	<input type="checkbox"/>

Adjustment	Explanation of Adjustment	Adjustment Amount
A	Remove temporary surcharge revenue.	\$ (40,277)
B	Please refer to Schedule C-2a.	\$ 4,350
C	To remove non-recurring purchased water expenses.	\$ (1,657)
D	Please refer to Schedule C-2b.	\$ 5,577
E	To include recovery of estimated rate case expenses (\$60,000 amortized over 5 years).	\$ 12,000
F	Please refer to Schedule C-2c.	\$ 11,808
G	Please refer to Schedule C-2a.	\$ 333
H1	Please refer to Schedule C-2d.	\$ 8,778
H2	Please refer to Schedule C-2d.	2,231
I	Please refer to Schedule C-2e.	\$ (7,617)
J	Remove income from non-recurring sale of property.	\$ (800)
K	Remove non-recurring expense adjustment to correct regulatory depreciation on the books.	\$ 299,524
L	Increase Metered Water Revenue to meet the proposed revenue requirement per calculation on Schedule A-1.	\$ 170,653
M	Please refer to Schedule C-2f	\$ 55,991

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto

Supporting Schedules:
C-2a through C-2f

Recap Schedules:
(a) C-1

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule C-2a
Title: Income Statement Proforma
Adjustments

Explanation:

Schedule detailing the calculations for proforma Adjustment B to Salaries and Wages expense and Adjustment G to Taxes Other Than Income for the projected year income statement.

Name	Hours	Rate	Amount	Actual	Difference
Employee 1	2,011	\$ 13.50	\$ 27,148.50	\$ 25,139.50	\$ 2,009
	12	20.25	243.00	225.00	18
Employee 2	2,015	14.00	28,210.00	26,206.00	2,004
	27	21.00	567.00	528.00	39
Employee 3	2,007	19.50	39,136.50	38,856.50	280
Total Adjustment B to Salaries and Wages					\$ 4,350
FICA Payroll Tax Rate					7.65%
Total Adjustment G to Taxes Other Than Income					\$ 333

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule C-2b
Title: Income Statement Proforma
Adjustments

Explanation:

Schedule detailing the calculations for proforma Adjustment D to Transportation Expense for the projected year income statement.

Date	Vendor	Paid By	Amount
02-Jan-12	Fleet Services	Southwestern Utility Management	\$ 571.00
15-Feb-12	Fleet Services	Southwestern Utility Management	376.17
08-Mar-12	Fleet Services	Southwestern Utility Management	401.91
05-Apr-12	Fleet Services	Southwestern Utility Management	559.51
01-May-12	Fleet Services	Southwestern Utility Management	370.72
11-Jun-12	Fleet Services	Southwestern Utility Management	477.68
09-Jul-12	Fleet Services	Southwestern Utility Management	640.13
10-Aug-12	Fleet Services	Southwestern Utility Management	454.46
11-Sep-12	Fleet Services	Southwestern Utility Management	507.34
05-Oct-12	Fleet Services	Southwestern Utility Management	440.10
15-Nov-12	Fleet Services	Southwestern Utility Management	364.89
10-Dec-12	Fleet Services	Southwestern Utility Management	413.24
Total Adjustment D to Transportation Expenses			\$ 5,577.15

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule C-2c
Title: Income Statement Proforma
Adjustments

Explanation:

Schedule detailing the calculations for proforma Adjustment F to depreciation expense for the projected year income statement.

Acct No.	Description	Depreciation Rate	Plant Amount	Proposed Depr Exp
302	Franchises	0.00%	\$ 125	\$ -
303	Land & Land Rights	0.00%	86,093	-
304	Structures & Improvements	3.33%	510,517	17,000
307	Wells & Springs	3.33%	627,763	20,905
311	Pumping Equipment	12.50%	384,987	48,123
320	Water Treatment Equipment	0.00%	-	-
320.1	Water Treatment Plants ¹	3.33%	440,672	14,523
320.2	Solution Chemical Feeders	20.00%	345	69
330	Distribution Reservoirs & Standpipes	0.00%	-	-
330.1	Storage Tanks	2.22%	600,476	13,331
330.2	Pressure Tanks.	5.00%	80,630	4,032
331	Transmission & Distribution Mains	2.00%	945,615	18,912
333	Services ²	3.33%	79,949	960
334	Meters & Meter Installations	8.33%	101,768	8,477
335	Hydrants	2.00%	36,714	734
339	Other Plant and Misc Equipment	2.00%	-	-
340	Office Furniture & Equipment ³	6.67%	16,552	-
340.1	Computers and Software	20.00%	-	-
341	Transportation Equipment ⁴	20.00%	71,364	-
343	Tools, Shop, and Garage Equipment	5.00%	12,063	603
345	Power Operated Equipment	5.00%	44,869	2,243
348	Other Tangible Plant	10.00%	139,758	13,976
Totals			\$ 4,180,261	\$ 163,889
CIAC Amortization				\$ (62,873)
Proposed Depreciation Expense				\$ 101,017
Test Year Depreciation Expense				89,209
Adjustment F to Depreciation Expense				\$ 11,808

- ¹ \$4,533 of the balance in this account is fully depreciated.
² \$51,108 of the balance in this account is fully depreciated.
³ The total amount in this account is fully depreciated.
⁴ The total amount in this account is fully depreciated.

Supporting Schedules:

Recap Schedules:
C-1, C-2

DETAIL OF PROPERTY TAX EXPENSE ADJUSTMENTS H1 AND H2

Line		Test Year as Adjusted	Company at Proposed Rates
1	Adjusted 2012 Test Year Revenue	\$ 472,791	\$ 472,791
2	Weight Factor	2	2
3	Subtotal	\$ 945,582	\$ 945,582
4	Company Recommended Revenue	472,791	643,444
5	Subtotal	\$ 1,418,373	\$ 1,589,026
6	Number of Years	3	3
7	Three Year Revenue Average	\$ 472,791	\$ 529,675
8	AZ Department of Revenue Multiplier	2	2
9	Revenue Base Value	\$ 945,582	\$ 1,059,350
10	Plus 10% of CWIP	830	830
11	Less: Net Book Value of Licensed Vehicles	-	-
12	Full Cash Value	\$ 946,412	\$ 1,060,180
13	Assessment Ratio	20.00%	20.00%
14	Assessment Value	\$ 189,282	\$ 212,036
15	Composite Property Tax Rate *	9.8046%	9.8046%
16	Adjusted Test Year Property Tax Expense	\$ 18,558	
17	Actual Test Year Property Tax Expense	9,780	
18	Total Adjustment H1	\$ 8,778	
19	Projected Property Tax Expense		\$ 20,789
20	Adjusted Test Year Property Tax Expense		18,558
21	Total Adjustment H2		\$ 2,231
22	<i>* Property tax composite rate calculation:</i>		
23	Assessed Value per 2012 Property Tax Notices	\$ 180,591	
24	Property Tax due per 2012 Notices	17,706	
25	Composite Property Tax Rate	9.8046%	
26	<i>For Gross Revenue Conversion Factor:</i>		
27	Change in Property Tax Expense	\$ 2,231	
28	Change in Revenue Requirement	170,653	
29	Change in Property Tax per Dollar Increase in Revenue	1.3073%	

CALCULATION OF ADJUSTMENT I TO TEST YEAR INCOME TAX EXPENSES

Line	Description		
1	Operating Income/(Loss) Before Taxes	\$ (18,715)	
2	Add Interest Income	-	
3	Less Estimated Interest Expense	(2,513)	
4	Arizona Taxable Income	\$ (21,228)	
5	Arizona Tax on \$1 to \$10,000 Income Bracket	2.59%	
6	Arizona Tax on \$10,001 to \$25,000 Income Bracket	2.88%	\$ (582)
7	Arizona Tax on \$25,001 to \$50,000 Income Bracket	3.36%	
8	Arizona Tax on \$50,000 to \$150,000 Income Bracket	4.24%	
9	Arizona Tax over \$150,000 Income Bracket	4.54%	
10	Arizona Income Tax Expense		\$ (582)
11	Federal Taxable Income	\$ (21,810)	
12	Federal Tax on \$1 to \$2,400 Income Bracket	15.00%	(360)
13	Federal Tax on \$2,401 to \$5,600 Income Bracket	25.00%	(800)
14	Federal Tax on \$5,601 to \$8,500 Income Bracket	28.00%	(812)
15	Federal Tax on \$8,501 to \$11,650 Income Bracket	33.00%	(1,039)
16	Federal Tax over \$11,650 Income Bracket	39.60%	(4,023)
17	Federal Income Tax Expense		(7,035)
18	Adjusted Test Year Income Tax Expense		\$ (7,617)
19	Test Year Income Tax Expense		-
20	Total Adjustment I to Income Taxes	\$	(7,617)
21	Federal Taxable Income	\$ (21,810)	
22	Federal Income Tax Expense	(7,035)	
23	Federal Income Tax Rate	32.25%	
24	Arizona Taxable Income	\$ (21,228)	
25	Arizona Income Tax Expense	(582)	
26	Arizona Income Tax Rate	2.74%	

CALCULATION OF ADJUSTMENT M FOR PROPOSED INCOME TAX EXPENSES

<u>Line</u>			
1	Revenue	\$ 643,444	
2	Operating Expenses Excluding Income Tax	(499,123)	
3	Interest Income	-	
4	Estimated Interest Expense	<u>(2,513)</u>	
5	Arizona Taxable Income	\$ 141,808	
6	Arizona Tax Rate (from C-2d, Line 26)	<u>2.74%</u>	
7	Arizona Income Tax Expense		\$ 3,890
8	Federal Taxable Income	\$ 137,917	
9	Federal Tax Rate (from C-2d, line 23)	<u>32.25%</u>	
10	Total Federal Income Tax Expense		<u>\$ 44,484</u>
11	Combined Federal and State Income Tax Expense		\$ 48,374
12	Adjusted Test Year Income Tax Expense		<u>(7,617)</u>
13	Adjustment M to Proposed Income Tax Expense		<u><u>\$ 55,991</u></u>
14	Revenue Check:		
15	Required Operating Income	\$ 86,099	
16	Adjusted Test Year Operating Income/(Loss)	<u>(26,332)</u>	
17	Proposed Increase In Operating Income		\$ 112,431
18	Income Taxes On Proposed Revenue	\$ 48,374	
19	Income Taxes On Test Year Revenue	<u>(7,617)</u>	
20	Proposed Revenue Increase For Income Taxes		\$ 55,991
21	Property Taxes On Proposed Revenue	\$ 20,789	
22	Property Taxes On Test Year Revenue	<u>18,558</u>	
23	Proposed Revenue Increase For Property Taxes		\$ 2,231
24	Total Proposed Increase In Revenue		<u><u>\$ 170,653</u></u>

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule C-3
Title: Computation of Gross Revenue
Conversion Factor

Explanation:
Schedule showing incremental taxes on gross revenues and
the development of a gross revenue conversion factor.

Required for:	All Utilities	<input checked="checked" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Description		Percentage of Incremental Gross Revenues
1	Revenues	1.0000
2	Property Taxes	1.307% (0.0131)
3	Arizona Taxable Income	0.9869
4	Arizona Income Tax	2.743% (0.0271)
5	Federal Taxable Income	0.9599
6	Federal Income Tax	32.25% (0.3096)
7	Operating Income	0.6588
8	Gross Revenue Conversion Factor (Line 1 / Line 7)	1.5178

Note: All tax percentages shall include the effect of other taxes upon the incremental rate. The applicant may use other formulas in developing the conversion factor.

Supporting Schedules:

Recap Schedules:
(a) A-1

Valle Verde Water Company

Test Year Ended December 31, 2012

Schedule D-1**Title: Summary Cost of Capital**

Explanation:

Schedule showing elements of capital structure
and the related cost.

Required for: All Utilities ☒

Class A ☐

Class B ☐

Class C ☐

Class D ☐

Specd Reqmt ☐

Invested Capital	End of Test Year				End of Projected Year			
	Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
Long-Term Debt (a)	\$ 400,331	100%	0.9375%	0.9375%	\$ 807,581	100%	0.9375%	0.9375%
Short-Term Debt (a)	-	0%	0%	0%	-	0%	0%	0.00%
Common Equity (c) ¹	(930,600)	0%	0%	0%	(930,600)	0%	0%	0.00%
Total	\$ 400,331				\$ 807,581			0.9375%

¹ Negative equity assumed to be zero for calculation.

Supporting Schedules:

- (a) D-2
- (b) D-3
- (c) D-4
- (d) E-1

Recap Schedules:

- (e) A-3

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule E-1
Title: Comparative Balance Sheet

Explanation:
Schedule showing comparative balance sheets at the end of the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec Reqmt	<input type="checkbox"/>

	Test Year At 31-Dec-12	Prior Year 31-Dec-11	Prior Year 31-Dec-10
ASSETS			
Property, Plant & Equipment: (a)			
101 Utility Plant In Service	\$ 4,180,261	\$ 3,146,820	\$ 3,128,719
105 Construction Work in Process		57,164	40,936
108 Accumulated Depreciation	(2,038,838)	(1,886,756)	(1,742,230)
Total Property Plant & Equipment	\$ 2,141,422	\$ 1,317,228	\$ 1,427,426
Current Assts:			
131 Cash	\$ 40,439	\$ 21,370	\$ 6,204
135 Temporary Cash Investments	18,801	22,760	133,359
141 Customer Accounts Receivable	13,153	7,894	87,063
174 Miscellaneous Current and Accrued Assets			
Total Current Assets	\$ 72,393	\$ 52,024	\$ 226,626
TOTAL ASSETS	\$ 2,213,815	\$ 1,369,252	\$ 1,654,052
LIABILITIES and STOCKHOLDERS' EQUITY			
Capitalization: (b)			
215 Retained Earnings	\$ (930,600)	\$ (1,432,736)	\$ (1,030,727)
Current Liabilities:			
231 Accounts Payable	\$ 242,739	\$ 129,738	\$ 256,194
235 Customer Deposits	24,348	28,401	26,740
236 Accrued Taxes	7,351	6,306	9,703
241 Misc Current and Accrued Liabilities	889	3,616	25,478
Total Current Liabilities	\$ 275,327	\$ 168,061	\$ 318,115
224 Long-Term Debt (Over 12 Months)	\$ 400,331	\$ 85,865	\$ -
Deferred Credits:			
252.1 Meter Deposits	\$ 3,575	\$ 5,342	\$ 2,303
252.2 Advances In Aid Of Construction	1,432,382	1,455,978	1,478,335
271 Contributions In Aid Of Construction	1,261,919	1,252,989	996,047
272 Less: Amortization of Contributions	(229,119)	(166,247)	(110,021)
Total Deferred Credits	\$ 2,468,757	\$ 2,548,062	\$ 2,366,664
Total Liabilities	\$ 3,144,415	\$ 2,801,988	\$ 2,684,779
TOTAL LIABILITIES and STOCKHOLDERS' EQUITY	\$ 2,213,815	\$ 1,369,252	\$ 1,654,052
Supporting Schedules:	Recap Schedules:		
(a) E-5	(b) A-3		

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule E-2
Title: Comparative Income Statements

Explanation:
Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Specil Reqmt ☐

	Test Year Ended 31-Dec-12	Prior Year Ended 31-Dec-11	Prior Year Ended 31-Dec-10
Revenues: (a)			
461 Metered Water Revenue	\$ 457,207	\$ 465,819	\$ 401,713
461 Surcharge Revenue	40,277	50,600	
474 Other Water Revenue	15,584	16,377	37,090
Total Revenues	\$ 513,068	\$ 532,796	\$ 438,803
Operating Expenses (a)			
601 Salaries & Wages	\$ 98,052	\$ 91,147	\$ 90,680
610 Purchased Water	1,657	3,625	-
615 Purchased Power	33,909	55,530	40,546
618 Chemicals	1,161	2,926	35,506
620 Repairs and Maintenance	18,882	24,491	51,436
621 Office Supplies and Expense	27,333	26,652	25,161
630 Outside Services	151,235	145,308	123,623
635 Water Testing	7,584	12,189	20,269
641 Rents	-		
650 Transportation Expense	1,140	6,515	9,574
657 Insurance - General liability	13,290	9,362	12,582
659 Insurance - Health and Life	-		
666 Regulatory Commission Expense - Rate Case	-	4,124	32,746
675 Miscellaneous Expense	2,626	39,093	1,093
403 Depreciation Expense	89,209	90,348	89,705
408 Taxes Other Than Income	9,157	13,576	11,950
408.11 Property Taxes	9,780	14,942	17,676
409 Income Tax	-	-	-
427.2 Customer Security Deposit Interest	536	-	
Total Operating Expenses	\$ 465,551	\$ 539,828	\$ 562,547
OPERATING INCOME/(LOSS)	\$ 47,517	\$ (7,032)	\$ (123,744)
Other Income/(Expense)			
419 Interest Income	\$ -	\$ -	
421 Other Income	800	3,438	(1,154)
427 Interest Expense	(2,513)	(911)	(1,810)
434 Extraordinary Deductions	(299,524)		
Total Other Income/(Expense)	\$ (301,237)	\$ 2,527	\$ (2,964)
NET INCOME/(LOSS)	\$ (253,720)	\$ (4,505)	\$ (126,708)

Supporting Schedules:
(a) E-6

Recap Schedules:
A-2

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule E-5
Title: Detail of Utility Plant

Explanation:
Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Spec'l Reqmt ☐

Account Number	Description	End of Prior Year at 31-Dec-11	Net Additions	End of Test Year at 31-Dec-12
302	Franchises	\$ 125		\$ 125
303	Land & Land Rights	86,093		86,093
304	Structures & Improvements	506,514	4,003	510,517
307	Wells & Springs	624,567	3,196	627,763
311	Pumping Equipment	325,004	59,983	384,987
320	Water Treatment Equipment			-
320.1	Water Treatment Plants	13,622	427,050	440,672
320.2	Solution Chemical Feeders	345		345
330	Distribution Reservoirs & Standpipes			-
330.1	Storage Tanks	286,466	314,010	600,476
330.2	Pressure Tanks.	80,630		80,630
331	Transmission & Distribution Mains	725,427	220,188	945,615
333	Services	79,571	378	79,949
334	Meters & Meter Installations	98,843	2,925	101,768
335	Hydrants	35,007	1,707	36,714
339	Other Plant and Misc Equipment			-
340	Office Furniture & Equipment	16,552		16,552
340.1	Computers and Software			-
341	Transportation Equipment	71,364		71,364
343	Tools, Shop, and Garage Equipment	12,063		12,063
345	Power Operated Equipment	44,869		44,869
348	Other Tangible Plant	139,758		139,758
Total Plant In Service		\$ 3,146,820	\$ 1,033,440	\$ 4,180,261
Accumulated Depreciation		1,886,756	152,082	2,038,838
Net Plant In Service		\$ 1,260,064	\$ 881,358	\$ 2,141,422
Construction Work in Process		57,164	(57,164)	-
Total Net Plant		\$ 1,317,228	\$ 824,194	\$ 2,141,422

Supporting Schedules:

Recap Schedules:
E-1 A-4

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule E-7
Title: Operating Statistics

Explanation:
Schedule showing key operating statistics in comparative format,
for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

	Test Year	Prior Year	Prior Year
	Ended	Ended	Ended
Water Statistics:	31-Dec-12	31-Dec-11	31-Dec-10

Gallons Sold - By Class of Service:

Residential	51,134,300	54,795,873	55,830,583
Commercial	29,517,470	31,631,127	32,228,417

Average Number of Customers - By Class of Service:

Residential	685	659	734
Commercial	81	78	87

Average Annual Gallons Per Residential Customer	74,676	83,118	76,023
Average Annual Revenue Per Residential Customer	\$ 374.96	\$ 399.44	\$ 378.87
Pumping Cost Per 1,000 Gallons	\$ 0.42	\$ 0.64	\$ 0.46

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule E-8
Title: Taxes Charged to
Operations

Explanation:
Schedule showing all significant taxes charged to operations for
the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Spec'l Reqmt ☐

Description	Test Year Ended 31-Dec-12	Prior Year Ended 31-Dec-11	Prior Year Ended 31-Dec-10
Federal Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	7,691	7,245	7,105
Total Federal Taxes	\$ 7,691	\$ 7,245	\$ 7,105
State Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	1,466	1,252	1,260
Total State Taxes	\$ 1,466	\$ 1,252	\$ 1,260
Local Taxes:			
Property	\$ 9,780	\$ 14,942	\$ 17,676
Total Taxes	\$ 18,937	\$ 23,439	\$ 26,041

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule E-9
Title: Notes to Financial
Statements

Explanation:
Disclosure of important facts pertaining to the understanding
of the financial statements.

Required for: All Utilities
Class A
Class B
Class C
Class D
Specf Reqmt

X

Disclosures should include, but not be limited to the following:

1 Accounting Method.

The books of Valle Verde are kept as accrual based, and follow NARUC rules, including the USoA.

2 Depreciation lives and methods employed by major classification of utility property.

Valle Verde is using the depreciation rates as authorized in Decision 71899, which became effective on November 1, 2010. Prior to that time, the rates were 5% for all assets categories. The current rates are reflected on Schedule C-2c.

3 Income tax treatment - normalization or flow through.

Valle Verde Water is currently part of the Estate of William F. Randall. Prior to Mr. Randall's passing, the utility was operated as a sole proprietorship, and as a result, is now part of his estate. Income taxes for Valle Verde flow through to the income tax return of the estate, Forms 1041 and 141.

4 Interest rate used to charge interest during construction, if applicable.

Not Applicable.

Supporting Schedules:

Recap Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule F-1
Title: Projected Income Statements
Present and Proposed Rates

Explanation:
Schedule showing an income statement for the projected year, compared with actual test year results, at present and proposed rates.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Spec'l Reqmt ☐

	Projected Year		
	Actual	At Present	At Proposed
	Test Year	Rates	Rates
	Ended (a)	Year Ended (b)	Year Ended (b)
	31-Dec-12	31-Dec-12	31-Dec-12
Operating Revenues:			
461 Metered Water Revenue	\$ 457,207	\$ 457,207	\$ 627,860
461 Surcharge Revenue	40,277	-	-
474 Other Water Revenue	15,584	15,584	15,584
Total Operating Revenue	\$ 513,068	\$ 472,791	\$ 643,444
Operating Expenses:			
601 Salaries & Wages	\$ 98,052	\$ 102,402	\$ 102,402
610 Purchased Water	1,657	-	-
615 Purchased Power	33,909	33,909	33,909
618 Chemicals	1,161	1,161	1,161
620 Repairs & Maintenance	18,882	18,882	18,882
621 Office Supplies and Expense	27,333	27,333	27,333
630 Outside Services	151,235	151,235	151,235
635 Water Testing	7,584	7,584	7,584
641 Rental Expense	-	-	-
650 Transportation Expense	1,140	6,717	6,717
657 Insurance - General Liability	13,290	13,290	13,290
659 Insurance - Health and Life	-	-	-
666 Rate Case Expense	-	12,000	12,000
675 Miscellaneous Expense	2,626	2,626	2,626
403 Depreciation & Amortization	89,209	101,017	101,017
408 Taxes Other Than Income	9,157	9,490	9,490
408.11 Property Taxes	9,780	18,558	20,789
409 Income Taxes	-	(7,617)	48,374
427 Customer Security Deposits	536	536	536
Total Operating Expenses	\$ 465,551	\$ 499,123	\$ 557,345
OPERATING INCOME/(LOSS)	\$ 47,517	\$ (26,332)	\$ 86,099
Other Income/(Expense):			
419 Interest Income	\$ -	\$ -	\$ -
421 Other Income	800	-	-
427 Interest Expense	(2,513)	(2,513)	(2,513)
434 Extraordinary Deductions	(299,524)	-	-
Total Other Income/(Expense)	\$ (301,237)	\$ (2,513)	\$ (2,513)
NET INCOME/(LOSS)	\$ (253,720)	\$ (28,845)	\$ 83,586

Earnings per share of average
Common Stock Outstanding

N/A N/A N/A

% Return on Common Equity

double negative, not meaningful

Supporting Schedules:
(a) E-2

Recap Schedules:
(b) A-2

Valle Verde Water Company

Test Year Ended December 31, 2012

Schedule F-3**Title: Projected Construction
Requirements****Explanation:**

Schedule showing projected annual construction requirements, by property classification, for 1 to 3 years subsequent to the test year compared with the test year.

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

X

Property Classification	Actual	Projected
	Test Year	Year
	Ended	Ended
	12/31/2012	12/31/2013
Production Plant	\$ 490,229	\$ 8,500
Transmission Plant	539,209	382,500
Other Plant	4,003	-
Total Plant	\$ 1,033,440	\$ 391,000

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:
(a) F-2 & A-4

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule F-4
Title: Assumptions Used in
Developing Projection

Explanation:
Documentation of important assumptions used in preparing
forecasts and projections

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

X

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1 Customer growth

Valle Verde has lost almost 7% of its customer base since 2010 as reflected on Schedule E-7.

2 Growth in consumption and customer demand

Consumption and customer demand are expected to continue to decrease, not grow.

Customer demand had decreased nearly 8.5% since 2010 as reflected on Schedule E-7.

3 Changes in expenses

The Company believes the test year 2012, with the limited proforma adjustments included in this application, accurately depict the revenue required to effectively operate the utility and manage payables going forward.

4 Construction requirements including production reserves and changes in plant capacity

No further construction is anticipated.

5 Capital structure changes

No changes to equity are anticipated; debt will increase by the end of 2013 as the balance of the WIFA loan has been taken as depicted on Schedule D-1.

6 Financing costs, interest rates

Valle Verde has a WIFA loan with an interest rate of .9375% and a fee rate of 3%.

Supporting Schedules:

Recap Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule: H-1
Title: Summary of Revenues by Customer
Classification - Present and Proposed Rates

Explanation:
Schedule comparing revenues by customer classification for
the Test Year, at present and proposed rates.

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

X

Customer Classification	Revenues in the Test Year (a)		Proposed Increase (b)	
	Present Rates	Proposed Rates	Amount	%
Residential Meters				
1 5/8" x 3/4" Meter	\$ 125,124	\$ 174,006	\$ 48,882	39.07%
2 3/4" Meter	136,980	190,820	53,840	39.30%
3 1" Meter	8,602	12,045	3,443	40.03%
4 2" Meter	5,037	6,757	1,720	34.15%
5 Total Residential	\$ 275,743	\$ 383,628	\$ 107,885	39.13%
Commercial Meters				
7 5/8" x 3/4" Meter	\$ 7,255	\$ 9,894	\$ 2,639	36.38%
8 3/4" Meter	8,100	11,155	3,055	37.71%
9 1" Meter	23,769	33,123	9,354	39.35%
10 1-1/2" Meter	9,140	12,214	3,074	33.64%
11 2" Meter	16,265	22,373	6,108	37.55%
12 3" Meter	314	449	135	42.91%
13 Total Commercial	\$ 64,843	\$ 89,208	\$ 24,365	37.57%
Government Meters				
15 1" Meter	\$ 1,340	\$ 1,911	\$ 571	42.58%
16 2" Meter	104,719	138,072	33,353	31.85%
17 3" Meter	3,790	5,436	1,646	43.42%
18 4" Meter	6,412	9,103	2,691	41.97%
19 Total Government	\$ 116,261	\$ 154,522	\$ 38,261	32.91%
20 3 " Hydrant	\$ 360	\$ 503	\$ 143	39.76%
21 Total Metered Water Revenue	\$ 457,207	\$ 627,860	\$ 170,653	37.33%
22 Surcharge Revenue	40,277	-	(40,277)	-100.00%
23 Other Water Revenue	15,584	15,584	-	0.00%
24 Total Revenues	\$ 513,068	\$ 643,444	\$ 130,376	25.41%

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:
(a) H-2

Recap Schedules:
(b) A-1

Explanation:
Schedule comparing present rate schedules with proposed
rate schedule.

(Rates apply to both residential and commercial usage)

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Description	Present Rate	Proposed Rate	Percent change
MONTHLY USAGE CHARGE:			
5/8" x 3/4" Meter	\$ 18.00	\$ 25.00	39%
3/4" Meter	18.00	25.00	39%
1" Meter	43.00	62.50	45%
1-1/2" Meter	86.00	125.00	45%
2" Meter	138.00	200.00	45%
3" Meter	275.00	400.00	45%
4" Meter	429.00	625.00	46%
6" Meter	857.00	1,250.00	46%

COMMODITY CHARGES:

5/8 x 3/4-inch and 3/4-inch meter (Residential)

0 - 3,000 Gallons	\$ 1.30	
3,001 to 10,000 Gallons	2.90	
Over 10,000 Gallons	4.25	
0 - 3,000 Gallons		\$ 1.75
3,001 to 7,000 Gallons		3.75
Over 7,000 Gallons		5.53

5/8 x 3/4-inch and 3/4-inch meter (Non-Residential)

0 - 10,000 Gallons	\$ 2.90	
Over 10,000 Gallons	4.25	
0 - 7,000 Gallons		\$ 3.75
Over 7,000 Gallons		5.53

1 - inch meter (All Meters)

0 to 15,000 Gallons	\$ 2.90	\$ 3.75	
Over 15,000 Gallons	4.25	5.53	

1 1/2 - inch meter (All Meters)

0 to 20,000 Gallons	\$ 2.90	\$ 3.75	
Over 20,000 Gallons	4.25	5.53	

2 - inch meter (All Meters)

0 to 25,000 Gallons	\$ 2.90	\$ 3.75	29%
Over 25,000 Gallons	4.25	5.53	30%

3 - inch meter (All Meters)

0 to 70,000 Gallons	\$ 2.90	\$ 3.75	29%
Over 70,000 Gallons	4.25	5.53	30%

4 - inch meter (All Meters)

0 to 150,000 Gallons	\$ 2.90	\$ 3.75	29%
Over 150,000 Gallons	4.25	5.53	30%

6 - inch meter (All Meters)

0 to 500,000 Gallons	\$ 2.90	\$ 3.75	29%
Over 500,000 Gallons	4.25	5.53	30%

Temporary Interim Manager Surcharge (per 1,000 gallons)

All gallons	\$ 0.60	\$ 0.60	0.00%
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Description	Present Rate	Proposed Rate	Percent change
<u>SERVICE CHARGES:</u>			
Establishment	\$ 30.00	\$ 30.00	0%
Establishment (After Hours)	40.00	40.00	0%
Reconnection (Delinquent)	40.00	40.00	0%
Reconnection (Delinquent) after hours	50.00	50.00	0%
Meter Test (If Correct)	35.00	35.00	0%
Deposit	(a)	(a)	N/A
Deposit Interest	(a)	(a)	N/A
Re-Establishment (within 12 months)	(b)	(b)	N/A
NSF Check	\$ 25.00	30.00	20%
Late Fee (per month)	1.50%	1.50%	0%
Deferred Payment (per month)	1.50%	1.50%	0%
Meter Re-read (If Correct)	\$ 20.00	20.00	0%
Monthly Service Charge for Fire Sprinkler	(c)	(c)	N/A

SERVICE LINE AND METER INSTALLATION CHARGES:

Description	Present Rates			Proposed Rates			Percent change
	Service Line	Meter Installation	Total	Service Line	Meter Installation	Total	
5/8" x 3/4" Meter	\$ 445.00	\$ 155.00	\$ 600.00	\$ 445.00	\$ 155.00	\$ 600.00	0%
3/4" Meter	445.00	255.00	700.00	445.00	255.00	700.00	0%
1" Meter	495.00	315.00	810.00	495.00	315.00	810.00	0%
1-1/2" Meter	550.00	525.00	1,075.00	550.00	525.00	1,075.00	0%
2" Meter - Turbine	830.00	1,045.00	1,875.00	830.00	1,045.00	1,875.00	0%
2" Meter - Compound	830.00	1,890.00	2,720.00	830.00	1,890.00	2,720.00	0%
3" Meter - Turbine	1,045.00	1,670.00	2,715.00	1,045.00	1,670.00	2,715.00	0%
3" Meter - Compound	1,165.00	2,545.00	3,710.00	1,165.00	2,545.00	3,710.00	0%
4" Meter - Turbine	1,490.00	1,737.00	3,227.00	1,490.00	2,670.00	4,160.00	29%
4" Meter - Compound	1,670.00	3,645.00	5,315.00	1,670.00	3,645.00	5,315.00	0%
6" Meter - Turbine	2,210.00	3,766.00	5,976.00	2,210.00	5,025.00	7,235.00	21%
6" Meter - Compound	2,330.00	6,920.00	9,250.00	2,330.00	6,920.00	9,250.00	0%
Over 6"	Cost	Cost	Cost	Cost	Cost	Cost	

- (a) Per Commission Rule A.A.C. R14-2-403(B)
 (b) Number of months off system times the monthly minimum, per Commission Rule A.A.C. R14-2-403(D).
 (c) 2% of monthly minimum for a comparable sized meter connection, but no less than \$10.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule: H-4
Title: Typical Bill
Analysis
Page 1 of 8

Explanation:
Schedule(s) comparing typical customer bills at varying
consumption levels at present and proposed rates.

5/8" x 3/4" Meter and 3/4" Meter - (Residential)

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqmt

X

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	18.00 \$	25.00	38.89%
1,000	19.30	26.75	38.60%
2,000	20.60	28.50	38.35%
3,000	21.90	30.25	38.13%
4,000	24.80	34.00	37.10%
5,000	27.70	37.75	36.28%
6,000	30.60	41.50	35.62%
7,000	33.50	45.25	35.07%
8,000	36.40	46.03	26.46%
9,000	39.30	51.56	31.20%
10,000	42.20	57.09	35.28%
15,000	63.45	84.74	33.55%
20,000	84.70	112.39	32.69%
25,000	105.95	140.04	32.18%
50,000	212.20	278.29	31.15%
75,000	318.45	416.54	30.80%
100,000	424.70	554.79	30.63%
125,000	530.95	693.04	30.53%
150,000	637.20	831.29	30.46%
175,000	743.45	969.54	30.41%
200,000	849.70	1,107.79	30.37%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule: H-4
Title: Typical Bill
Analysis
Page 2 of 8

Explanation:	Required for: All Utilities	<input checked="" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
5/8" x 3/4" Meter and 3/4" Meter - (Commercial)	Specd Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	18.00 \$	25.00	38.89%
1,000	20.90	28.75	37.56%
2,000	23.80	32.50	36.55%
3,000	26.70	36.25	35.77%
4,000	29.60	40.00	35.14%
5,000	32.50	43.75	34.62%
6,000	35.40	47.50	34.18%
7,000	38.30	51.25	33.81%
8,000	41.20	55.00	33.50%
9,000	44.10	58.75	33.22%
10,000	47.00	62.50	32.98%
15,000	68.25	90.15	32.09%
20,000	89.50	117.80	31.62%
25,000	110.75	145.45	31.33%
50,000	217.00	283.70	30.74%
75,000	323.25	421.95	30.53%
100,000	429.50	560.20	30.43%
125,000	535.75	698.45	30.37%
150,000	642.00	836.70	30.33%
175,000	748.25	974.95	30.30%
200,000	854.50	1,113.20	30.28%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule: H-4
Title: Typical Bill
Analysis
Page 3 of 8

Explanation:	Required for: All Utilities	<input checked="" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
1" meter - (All Classes)	Specd Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	43.00	\$ 62.50	45.35%
1,000	45.90	66.25	44.34%
2,000	48.80	70.00	43.44%
3,000	51.70	73.75	42.65%
4,000	54.60	77.50	41.94%
5,000	57.50	81.25	41.30%
6,000	60.40	85.00	40.73%
7,000	63.30	88.75	40.21%
8,000	66.20	92.50	39.73%
9,000	69.10	96.25	39.29%
10,000	72.00	100.00	38.89%
15,000	74.90	103.75	38.52%
20,000	107.75	146.40	35.87%
25,000	129.00	174.05	34.92%
50,000	235.25	312.30	32.75%
75,000	341.50	450.55	31.93%
100,000	447.75	588.80	31.50%
125,000	554.00	727.05	31.24%
150,000	660.25	865.30	31.06%
175,000	766.50	1,003.55	30.93%
200,000	872.75	1,141.80	30.83%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule: H-4
Title: Typical Bill
Analysis
Page 4 of 8

Explanation:	Required for: All Utilities	<input checked="" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
1 1/2" Meter - (All Classes)	Spec'l Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	86.00	\$ 125.00	45.35%
1,000	88.90	128.75	44.83%
2,000	91.80	132.50	44.34%
3,000	94.70	136.25	43.88%
4,000	97.60	140.00	43.44%
5,000	100.50	143.75	43.03%
6,000	103.40	147.50	42.65%
7,000	106.30	151.25	42.29%
8,000	109.20	155.00	41.94%
9,000	112.10	158.75	41.61%
10,000	115.00	162.50	41.30%
15,000	117.90	166.25	41.01%
20,000	120.80	170.00	40.73%
25,000	165.25	227.65	37.76%
50,000	271.50	365.90	34.77%
75,000	377.75	504.15	33.46%
100,000	484.00	642.40	32.73%
125,000	590.25	780.65	32.26%
150,000	696.50	918.90	31.93%
175,000	802.75	1,057.15	31.69%
200,000	909.00	1,195.40	31.51%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule: H-4
Title: Typical Bill
Analysis
Page 5 of 8

Explanation:	Required for: All Utilities	<input checked="" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
2" Meter - (All Classes)	Specd Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	138.00	\$ 200.00	44.93%
1,000	140.90	203.75	44.61%
2,000	143.80	207.50	44.30%
3,000	146.70	211.25	44.00%
4,000	149.60	215.00	43.72%
5,000	152.50	218.75	43.44%
6,000	155.40	222.50	43.18%
7,000	158.30	226.25	42.92%
8,000	161.20	230.00	42.68%
9,000	164.10	233.75	42.44%
10,000	167.00	237.50	42.22%
15,000	169.90	241.25	42.00%
20,000	172.80	245.00	41.78%
25,000	175.70	248.75	41.58%
50,000	316.75	432.00	36.39%
75,000	423.00	570.25	34.81%
100,000	529.25	708.50	33.87%
125,000	635.50	846.75	33.24%
150,000	741.75	985.00	32.79%
175,000	848.00	1,123.25	32.46%
200,000	954.25	1,261.50	32.20%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule: H-4
Title: Typical Bill
Analysis
Page 6 of 8

Explanation:	Required for: All Utilities	<input checked="" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
3" Meter - (All Classes except Hydrant Meter)	Spec'l Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	275.00	\$ 400.00	45.45%
1,000	277.90	403.75	45.29%
2,000	280.80	407.50	45.12%
3,000	283.70	411.25	44.96%
4,000	286.60	415.00	44.80%
5,000	289.50	418.75	44.65%
6,000	292.40	422.50	44.49%
7,000	295.30	426.25	44.34%
8,000	298.20	430.00	44.20%
9,000	301.10	433.75	44.06%
10,000	304.00	437.50	43.91%
15,000	306.90	441.25	43.78%
20,000	309.80	445.00	43.64%
25,000	312.70	448.75	43.51%
50,000	315.60	452.50	43.38%
75,000	499.25	690.15	38.24%
100,000	605.50	828.40	36.81%
125,000	711.75	966.65	35.81%
150,000	818.00	1,104.90	35.07%
175,000	924.25	1,243.15	34.50%
200,000	1,030.50	1,381.40	34.05%

Supporting Schedules:

Valle Verde Water Company
 Test Year Ended December 31, 2012

Schedule: H-4
 Title: Typical Bill
 Analysis
 Page 7 of 8

Explanation:	Required for: All Utilities	<input checked="" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
4" Meter - (All Classes)	Spec'l Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	429.00	\$ 625.00	45.69%
1,000	431.90	628.75	45.58%
2,000	434.80	632.50	45.47%
3,000	437.70	636.25	45.36%
4,000	440.60	640.00	45.26%
5,000	443.50	643.75	45.15%
6,000	446.40	647.50	45.05%
7,000	449.30	651.25	44.95%
8,000	452.20	655.00	44.85%
9,000	455.10	658.75	44.75%
10,000	458.00	662.50	44.65%
15,000	472.50	681.25	44.18%
20,000	487.00	700.00	43.74%
25,000	501.50	718.75	43.32%
50,000	574.00	812.50	41.55%
75,000	646.50	906.25	40.18%
100,000	719.00	1,000.00	39.08%
125,000	791.50	1,093.75	38.19%
150,000	864.00	1,187.50	37.44%
175,000	970.25	1,325.75	36.64%
200,000	1,076.50	1,464.00	36.00%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule: H-4
Title: Typical Bill
Analysis
Page 8 of 8

Explanation:	Required for: All Utilities	<input checked="" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
3" Hydrant Meter	Spec'l Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	275.00	\$ 400.00	0.00%
1,000	277.90	403.75	45.29%
2,000	280.80	407.50	45.12%
3,000	283.70	411.25	44.96%
4,000	286.60	415.00	44.80%
5,000	289.50	418.75	44.65%
6,000	292.40	422.50	44.49%
7,000	295.30	426.25	44.34%
8,000	298.20	430.00	44.20%
9,000	301.10	433.75	44.06%
10,000	304.00	437.50	43.91%
15,000	306.90	441.25	43.78%
20,000	309.80	445.00	43.64%
25,000	312.70	448.75	43.51%
50,000	315.60	452.50	43.38%
75,000	499.25	690.15	38.24%
100,000	605.50	828.40	36.81%
125,000	711.75	966.65	35.81%
150,000	818.00	1,104.90	35.07%
175,000	924.25	1,243.15	34.50%
200,000	1,030.50	1,381.40	34.05%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2012

Schedule: H-5
Title: Bill Count
Page 1 of 15

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

5/8 x 3/4 inch meter - residential

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	92	-	92	2.37%	-	0.00%
1,000	200	100,000	292	7.52%	100,000	0.43%
2,000	325	487,500	617	15.88%	587,500	2.50%
3,000	374	935,000	991	25.51%	1,522,500	6.48%
4,000	418	1,463,000	1,409	36.27%	2,985,500	12.70%
5,000	461	2,074,500	1,870	48.13%	5,060,000	21.53%
6,000	424	2,332,000	2,294	59.05%	7,392,000	31.46%
7,000	372	2,418,000	2,666	68.62%	9,810,000	41.74%
8,000	286	2,145,000	2,952	75.98%	11,955,000	50.87%
9,000	233	1,980,500	3,185	81.98%	13,935,500	59.30%
10,000	156	1,482,000	3,341	86.00%	15,417,500	65.61%
10,001 to 12,000	201	2,211,000	3,542	91.17%	17,628,500	75.01%
12,001 to 14,000	136	1,768,000	3,678	94.67%	19,396,500	82.54%
14,001 to 16,000	77	1,155,000	3,755	96.65%	20,551,500	87.45%
16,001 to 18,000	45	765,000	3,800	97.81%	21,316,500	90.71%
18,001 to 20,000	29	551,000	3,829	98.56%	21,867,500	93.05%
20,001 to 25,000	28	630,000	3,857	99.28%	22,497,500	95.73%
25,001 to 30,000	13	357,500	3,870	99.61%	22,855,000	97.26%
30,001 to 35,000	4	130,000	3,874	99.72%	22,985,000	97.81%
35,001 to 40,000	4	150,000	3,878	99.82%	23,135,000	98.45%
40,001 to 50,000	4	180,000	3,882	99.92%	23,315,000	99.21%
50,001 to 60,000	1	55,000	3,883	99.95%	23,370,000	99.45%
60,001 to 70,000	2	130,000	3,885	100.00%	23,500,000	100.00%
70,001 to 80,000		-	3,885	100.00%	23,500,000	100.00%
80,001 to 90,000		-	3,885	100.00%	23,500,000	100.00%
90,001 to 100,000		-	3,885	100.00%	23,500,000	100.00%
Over 100,000		-	3,885	100.00%	23,500,000	100.00%
		3,885	23,500,000			

Average Number of Customers 324
Average Consumption 6,049
Median Consumption 5,171

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

5/8 x 3/4 inch meter - commercial

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	39	-	39	21.79%	-	0.00%
1,000	10	5,000	49	27.37%	5,000	0.42%
2,000	24	36,000	73	40.78%	41,000	3.45%
3,000	9	22,500	82	45.81%	63,500	5.34%
4,000	11	38,500	93	51.96%	102,000	8.57%
5,000	8	36,000	101	56.42%	138,000	11.60%
6,000	19	104,500	120	67.04%	242,500	20.38%
7,000	8	52,000	128	71.51%	294,500	24.75%
8,000	10	75,000	138	77.09%	369,500	31.05%
9,000	7	59,500	145	81.01%	429,000	36.05%
10,000	8	76,000	153	85.47%	505,000	42.44%
10,001 to 12,000	9	99,000	162	90.50%	604,000	50.76%
12,001 to 14,000	5	65,000	167	93.30%	669,000	56.22%
14,001 to 16,000	2	30,000	169	94.41%	699,000	58.74%
16,001 to 18,000	1	17,000	170	94.97%	716,000	60.17%
18,001 to 20,000	-	-	170	94.97%	716,000	60.17%
20,001 to 25,000	3	67,500	173	96.65%	783,500	65.84%
25,001 to 30,000	1	27,500	174	97.21%	811,000	68.15%
30,001 to 35,000	-	-	174	97.21%	811,000	68.15%
35,001 to 40,000	1	37,500	175	97.77%	848,500	71.30%
40,001 to 50,000	1	45,000	176	98.32%	893,500	75.09%
50,001 to 60,000	-	-	176	98.32%	893,500	75.09%
60,001 to 70,000	1	65,000	177	98.88%	958,500	80.55%
70,001 to 80,000	1	75,000	178	99.44%	1,033,500	86.85%
80,001 to 90,000	-	-	178	99.44%	1,033,500	86.85%
90,001 to 100,000	-	-	178	99.44%	1,033,500	86.85%
156,470	1	156,470	179	100.00%	1,189,970	100.00%
	179	1,189,970				

Average Number of Customers 15
Average Consumption 6,648
Median Consumption 3,682

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

3/4 inch meter - residential

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	90	-	90	2.15%	-	0.00%
1,000	324	162,000	414	9.88%	162,000	0.63%
2,000	312	468,000	726	17.32%	630,000	2.44%
3,000	368	920,000	1,094	26.10%	1,550,000	6.01%
4,000	475	1,662,500	1,569	37.44%	3,212,500	12.46%
5,000	478	2,151,000	2,047	48.84%	5,363,500	20.80%
6,000	420	2,310,000	2,467	58.86%	7,673,500	29.76%
7,000	345	2,242,500	2,812	67.10%	9,916,000	38.46%
8,000	313	2,347,500	3,125	74.56%	12,263,500	47.57%
9,000	241	2,048,500	3,366	80.31%	14,312,000	55.51%
10,000	203	1,928,500	3,569	85.16%	16,240,500	62.99%
10,001 to 12,000	263	2,893,000	3,832	91.43%	19,133,500	74.21%
12,001 to 14,000	149	1,937,000	3,981	94.99%	21,070,500	81.72%
14,001 to 16,000	73	1,095,000	4,054	96.73%	22,165,500	85.97%
16,001 to 18,000	48	816,000	4,102	97.88%	22,981,500	89.14%
18,001 to 20,000	24	456,000	4,126	98.45%	23,437,500	90.90%
20,001 to 25,000	16	360,000	4,142	98.83%	23,797,500	92.30%
25,001 to 30,000	12	330,000	4,154	99.12%	24,127,500	93.58%
30,001 to 35,000	10	325,000	4,164	99.36%	24,452,500	94.84%
35,001 to 40,000	10	375,000	4,174	99.59%	24,827,500	96.30%
40,001 to 50,000	8	360,000	4,182	99.79%	25,187,500	97.69%
50,001 to 60,000	4	220,000	4,186	99.88%	25,407,500	98.55%
60,001 to 70,000	2	130,000	4,188	99.93%	25,537,500	99.05%
70,001 to 80,000	2	150,000	4,190	99.98%	25,687,500	99.63%
80,001 to 90,000		-	4,190	99.98%	25,687,500	99.63%
90,001 to 100,000	1	95,000	4,191	100.00%	25,782,500	100.00%
Over 100,000			4,191	100.00%	25,782,500	100.00%
	4,191	25,782,500				

Average Number of Customers 349
Average Consumption 6,152
Median Consumption 5,115

Supporting Schedules:

Recap Schedules:

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

3/4 inch meter - commercial

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	12	-	12	5.41%	-	0.00%
1,000	57	28,500	69	31.08%	28,500	2.31%
2,000	38	57,000	107	48.20%	85,500	6.94%
3,000	36	90,000	143	64.41%	175,500	14.25%
4,000	6	21,000	149	67.12%	196,500	15.95%
5,000	9	40,500	158	71.17%	237,000	19.24%
6,000	4	22,000	162	72.97%	259,000	21.02%
7,000	2	13,000	164	73.87%	272,000	22.08%
8,000	4	30,000	168	75.68%	302,000	24.51%
9,000	7	59,500	175	78.83%	361,500	29.34%
10,000	2	19,000	177	79.73%	380,500	30.88%
10,001 to 12,000	7	77,000	184	82.88%	457,500	37.13%
12,001 to 14,000	10	130,000	194	87.39%	587,500	47.69%
14,001 to 16,000	5	75,000	199	89.64%	662,500	53.77%
16,001 to 18,000	5	85,000	204	91.89%	747,500	60.67%
18,001 to 20,000	3	57,000	207	93.24%	804,500	65.30%
20,001 to 25,000	5	112,500	212	95.50%	917,000	74.43%
25,001 to 30,000	4	110,000	216	97.30%	1,027,000	83.36%
30,001 to 35,000	4	130,000	220	99.10%	1,157,000	93.91%
35,001 to 40,000	2	75,000	222	100.00%	1,232,000	100.00%
40,001 to 50,000		-	222	100.00%	1,232,000	100.00%
50,001 to 60,000		-	222	100.00%	1,232,000	100.00%
60,001 to 70,000		-	222	100.00%	1,232,000	100.00%
70,001 to 80,000		-	222	100.00%	1,232,000	100.00%
80,001 to 90,000		-	222	100.00%	1,232,000	100.00%
90,001 to 100,000		-	222	100.00%	1,232,000	100.00%
Over 100,000		-	222	100.00%	1,232,000	100.00%
	222	1,232,000				

Average Number of Customers 19
Average Consumption 5,550
Median Consumption 2,111

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

1 inch meter - residential

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	18	-	18	13.95%	-	0.00%
1,000	12	6,000	30	23.26%	6,000	0.62%
2,000	10	15,000	40	31.01%	21,000	2.17%
3,000	3	7,500	43	33.33%	28,500	2.95%
4,000	12	42,000	55	42.64%	70,500	7.29%
5,000	4	18,000	59	45.74%	88,500	9.15%
6,000	10	55,000	69	53.49%	143,500	14.84%
7,000	11	71,500	80	62.02%	215,000	22.23%
8,000	9	67,500	89	68.99%	282,500	29.21%
9,000	5	42,500	94	72.87%	325,000	33.61%
10,000	7	66,500	101	78.29%	391,500	40.49%
10,001 to 12,000	5	55,000	106	82.17%	446,500	46.17%
12,001 to 14,000	2	26,000	108	83.72%	472,500	48.86%
14,001 to 16,000	4	60,000	112	86.82%	532,500	55.07%
16,001 to 18,000	1	17,000	113	87.60%	549,500	56.83%
18,001 to 20,000	5	95,000	118	91.47%	644,500	66.65%
20,001 to 25,000	2	45,000	120	93.02%	689,500	71.30%
25,001 to 30,000	5	137,500	125	96.90%	827,000	85.52%
30,001 to 35,000	2	65,000	127	98.45%	892,000	92.24%
35,001 to 40,000	2	75,000	129	100.00%	967,000	100.00%
40,001 to 50,000		-	129	100.00%	967,000	100.00%
50,001 to 60,000		-	129	100.00%	967,000	100.00%
60,001 to 70,000		-	129	100.00%	967,000	100.00%
70,001 to 80,000		-	129	100.00%	967,000	100.00%
80,001 to 90,000		-	129	100.00%	967,000	100.00%
90,001 to 100,000		-	129	100.00%	967,000	100.00%
Over 100,000		-	129	100.00%	967,000	100.00%
		129	967,000			

Average Number of Customers 11
Average Consumption 7,496
Median Consumption 5,550

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

1 inch meter - commercial

Required for: All Utilities

Class A

Class B

Class C

Class D

Specil Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	45	-	45	13.43%	-	0.00%
1,000	33	16,500	78	23.28%	16,500	0.59%
2,000	33	49,500	111	33.13%	66,000	2.35%
3,000	22	55,000	133	39.70%	121,000	4.32%
4,000	22	77,000	155	46.27%	198,000	7.06%
5,000	21	94,500	176	52.54%	292,500	10.43%
6,000	26	143,000	202	60.30%	435,500	15.54%
7,000	21	136,500	223	66.57%	572,000	20.41%
8,000	17	127,500	240	71.64%	699,500	24.95%
9,000	14	119,000	254	75.82%	818,500	29.20%
10,000	8	76,000	262	78.21%	894,500	31.91%
10,001 to 12,000	14	154,000	276	82.39%	1,048,500	37.40%
12,001 to 14,000	13	169,000	289	86.27%	1,217,500	43.43%
14,001 to 16,000	7	105,000	296	88.36%	1,322,500	47.18%
16,001 to 18,000	2	34,000	298	88.96%	1,356,500	48.39%
18,001 to 20,000	6	114,000	304	90.75%	1,470,500	52.46%
20,001 to 25,000	6	135,000	310	92.54%	1,605,500	57.27%
25,001 to 30,000	6	165,000	316	94.33%	1,770,500	63.16%
30,001 to 35,000	6	195,000	322	96.12%	1,965,500	70.12%
35,001 to 40,000	3	112,500	325	97.01%	2,078,000	74.13%
40,001 to 50,000	4	180,000	329	98.21%	2,258,000	80.55%
50,001 to 60,000	2	110,000	331	98.81%	2,368,000	84.48%
60,001 to 70,000	1	65,000	332	99.10%	2,433,000	86.79%
70,001 to 80,000	1	75,000	333	99.40%	2,508,000	89.47%
80,001 to 90,000		-	333	99.40%	2,508,000	89.47%
90,001 to 100,000		-	333	99.40%	2,508,000	89.47%
107,200	1	107,200	334	99.70%	2,615,200	93.29%
187,980	1	187,980	335	100.00%	2,803,180	100.00%
	335	2,803,180				

Average Number of Customers 28
Average Consumption 8,368
Median Consumption 4,595

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

1 1/2" meter - commercial

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-		-	-	0.00%	-	0.00%
1,000		-	-	0.00%	-	0.00%
2,000		-	-	0.00%	-	0.00%
3,000		-	-	0.00%	-	0.00%
4,000	1	3,500	1	4.17%	3,500	0.20%
5,000		-	1	4.17%	3,500	0.20%
6,000	1	5,500	2	8.33%	9,000	0.51%
7,000	2	13,000	4	16.67%	22,000	1.23%
8,000	1	7,500	5	20.83%	29,500	1.66%
9,000	1	8,500	6	25.00%	38,000	2.13%
10,000		-	6	25.00%	38,000	2.13%
10,001 to 12,000	3	33,000	9	37.50%	71,000	3.98%
12,001 to 14,000	2	26,000	11	45.83%	97,000	5.44%
14,001 to 16,000		-	11	45.83%	97,000	5.44%
16,001 to 18,000		-	11	45.83%	97,000	5.44%
18,001 to 20,000		-	11	45.83%	97,000	5.44%
20,001 to 25,000		-	11	45.83%	97,000	5.44%
25,001 to 30,000	1	27,500	12	50.00%	124,500	6.99%
30,001 to 35,000		-	12	50.00%	124,500	6.99%
35,001 to 40,000		-	12	50.00%	124,500	6.99%
40,001 to 50,000		-	12	50.00%	124,500	6.99%
50,001 to 60,000	1	55,000	13	54.17%	179,500	10.07%
60,001 to 70,000		-	13	54.17%	179,500	10.07%
70,001 to 80,000	1	75,000	14	58.33%	254,500	14.28%
80,001 to 90,000	2	170,000	16	66.67%	424,500	23.82%
90,001 to 100,000		-	16	66.67%	424,500	23.82%
119,600	1	119,600	17	70.83%	544,100	30.53%
121,700	1	121,700	18	75.00%	665,800	37.36%
131,100	1	131,100	19	79.17%	796,900	44.72%
134,300	1	134,300	20	83.33%	931,200	52.26%
138,600	1	138,600	21	87.50%	1,069,800	60.04%
148,600	1	148,600	22	91.67%	1,218,400	68.38%
175,000	1	175,000	23	95.83%	1,393,400	78.20%
388,500	1	388,500	24	100.00%	1,781,900	100.00%
	24	1,781,900				

Average Number of Customers 2
Average Consumption 74,246
Median Consumption 41,250

Supporting Schedules:

Recap Schedules:

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

2 inch meter - residential

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-		-	-	0.00%	-	0.00%
1,000		-	-	0.00%	-	0.00%
2,000		-	-	0.00%	-	0.00%
3,000		-	-	0.00%	-	0.00%
4,000		-	-	0.00%	-	0.00%
5,000		-	-	0.00%	-	0.00%
6,000		-	-	0.00%	-	0.00%
7,000		-	-	0.00%	-	0.00%
8,000		-	-	0.00%	-	0.00%
9,000		-	-	0.00%	-	0.00%
10,000		-	-	0.00%	-	0.00%
10,001 to 12,000		-	-	0.00%	-	0.00%
12,001 to 14,000		-	-	0.00%	-	0.00%
14,001 to 16,000		-	-	0.00%	-	0.00%
16,001 to 18,000		-	-	0.00%	-	0.00%
18,001 to 20,000		-	-	0.00%	-	0.00%
20,001 to 25,000		-	-	0.00%	-	0.00%
25,001 to 30,000		-	-	0.00%	-	0.00%
30,001 to 35,000	1	32,500	1	8.33%	32,500	3.67%
35,001 to 40,000		-	1	8.33%	32,500	3.67%
40,001 to 50,000		-	1	8.33%	32,500	3.67%
50,001 to 60,000	3	165,000	4	33.33%	197,500	22.32%
60,001 to 70,000	2	130,000	6	50.00%	327,500	37.01%
70,001 to 80,000		-	6	50.00%	327,500	37.01%
80,001 to 90,000	3	255,000	9	75.00%	582,500	65.83%
90,001 to 100,000	1	95,000	10	83.33%	677,500	76.57%
100,900	1	100,900	11	91.67%	778,400	87.97%
106,400	1	106,400	12	100.00%	884,800	100.00%
	12	884,800				

Average Number of Customers

1

Average Consumption

73,733

Median Consumption

77,000

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

2 inch meter - commercial

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	1	-	1	1.59%	-	0.00%
1,000	2	1,000	3	4.76%	1,000	0.05%
2,000	1	1,500	4	6.35%	2,500	0.12%
3,000	5	12,500	9	14.29%	15,000	0.72%
4,000	8	28,000	17	26.98%	43,000	2.06%
5,000	1	4,500	18	28.57%	47,500	2.27%
6,000	1	5,500	19	30.16%	53,000	2.54%
7,000	1	6,500	20	31.75%	59,500	2.85%
8,000		-	20	31.75%	59,500	2.85%
9,000		-	20	31.75%	59,500	2.85%
10,000		-	20	31.75%	59,500	2.85%
10,001 to 12,000	1	11,000	21	33.33%	70,500	3.37%
12,001 to 14,000	3	39,000	24	38.10%	109,500	5.24%
14,001 to 16,000	3	45,000	27	42.86%	154,500	7.39%
16,001 to 18,000	2	34,000	29	46.03%	188,500	9.02%
18,001 to 20,000	4	76,000	33	52.38%	264,500	12.66%
20,001 to 25,000	6	135,000	39	61.90%	399,500	19.12%
25,001 to 30,000	4	110,000	43	68.25%	509,500	24.38%
30,001 to 35,000	2	65,000	45	71.43%	574,500	27.49%
35,001 to 40,000	3	112,500	48	76.19%	687,000	32.88%
40,001 to 50,000	3	135,000	51	80.95%	822,000	39.34%
50,001 to 60,000	3	165,000	54	85.71%	987,000	47.24%
60,001 to 70,000	2	130,000	56	88.89%	1,117,000	53.46%
70,001 to 80,000	1	75,000	57	90.48%	1,192,000	57.05%
80,001 to 90,000		-	57	90.48%	1,192,000	57.05%
90,001 to 100,000		-	57	90.48%	1,192,000	57.05%
103,600	1	103,600	58	92.06%	1,295,600	62.01%
104,900	1	104,900	59	93.65%	1,400,500	67.03%
110,600	1	110,600	60	95.24%	1,511,100	72.32%
173,100	1	173,100	61	96.83%	1,684,200	80.60%
191,200	1	191,200	62	98.41%	1,875,400	89.75%
214,100	1	214,100	63	100.00%	2,089,500	100.00%
	63	2,089,500				

Average Number of Customers 5
Average Consumption 33,167
Median Consumption 21,100

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

3 inch meter - commercial

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-		-	-	0.00%	-	0.00%
1,000		-	-	0.00%	-	0.00%
2,000		-	-	0.00%	-	0.00%
3,000		-	-	0.00%	-	0.00%
4,000		-	-	0.00%	-	0.00%
5,000		-	-	0.00%	-	0.00%
6,000		-	-	0.00%	-	0.00%
7,000		-	-	0.00%	-	0.00%
8,000		-	-	0.00%	-	0.00%
9,000		-	-	0.00%	-	0.00%
10,000		-	-	0.00%	-	0.00%
10,001 to 12,000		-	-	0.00%	-	0.00%
12,001 to 14,000	1	13,000	1	100.00%	13,000	100.00%
14,001 to 16,000		-	1	100.00%	13,000	100.00%
16,001 to 18,000		-	1	100.00%	13,000	100.00%
18,001 to 20,000		-	1	100.00%	13,000	100.00%
20,001 to 25,000		-	1	100.00%	13,000	100.00%
25,001 to 30,000		-	1	100.00%	13,000	100.00%
30,001 to 35,000		-	1	100.00%	13,000	100.00%
35,001 to 40,000		-	1	100.00%	13,000	100.00%
40,001 to 50,000		-	1	100.00%	13,000	100.00%
50,001 to 60,000		-	1	100.00%	13,000	100.00%
60,001 to 70,000		-	1	100.00%	13,000	100.00%
70,001 to 80,000		-	1	100.00%	13,000	100.00%
80,001 to 90,000		-	1	100.00%	13,000	100.00%
90,001 to 100,000		-	1	100.00%	13,000	100.00%
Over 100,000		-	1	100.00%	13,000	100.00%
	1	13,000				

Average Number of Customers 0
Average Consumption 13,000
Median Consumption 13,000

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

1 inch meter - Government

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	2	-	2	8.33%	-	0.00%
1,000	1	500	3	12.50%	500	0.46%
2,000		-	3	12.50%	500	0.46%
3,000		-	3	12.50%	500	0.46%
4,000	5	17,500	8	33.33%	18,000	16.44%
5,000	9	40,500	17	70.83%	58,500	53.42%
6,000	2	11,000	19	79.17%	69,500	63.47%
7,000	1	6,500	20	83.33%	76,000	69.41%
8,000	3	22,500	23	95.83%	98,500	89.95%
9,000		-	23	95.83%	98,500	89.95%
10,000		-	23	95.83%	98,500	89.95%
10,001 to 12,000	1	11,000	24	100.00%	109,500	100.00%
12,001 to 14,000		-	24	100.00%	109,500	100.00%
14,001 to 16,000		-	24	100.00%	109,500	100.00%
16,001 to 18,000		-	24	100.00%	109,500	100.00%
18,001 to 20,000		-	24	100.00%	109,500	100.00%
20,001 to 25,000		-	24	100.00%	109,500	100.00%
25,001 to 30,000		-	24	100.00%	109,500	100.00%
30,001 to 35,000		-	24	100.00%	109,500	100.00%
35,001 to 40,000		-	24	100.00%	109,500	100.00%
40,001 to 50,000		-	24	100.00%	109,500	100.00%
50,001 to 60,000		-	24	100.00%	109,500	100.00%
60,001 to 70,000		-	24	100.00%	109,500	100.00%
70,001 to 80,000		-	24	100.00%	109,500	100.00%
80,001 to 90,000		-	24	100.00%	109,500	100.00%
90,001 to 100,000		-	24	100.00%	109,500	100.00%
Over 100,000		-	24	100.00%	109,500	100.00%
	24	109,500				

Average Number of Customers 2
Average Consumption 4,563
Median Consumption 4,444

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate
schedule.

2 inch meter - Government

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	10	-	10	10.42%	-	0.00%
1,000	2	2,000	12	12.50%	2,000	0.01%
2,000	1	2,000	13	13.54%	4,000	0.02%
3,000	-	-	13	13.54%	4,000	0.02%
4,000	1	4,000	14	14.58%	8,000	0.04%
5,000	-	-	14	14.58%	8,000	0.04%
6,000	1	6,000	15	15.63%	14,000	0.06%
7,000	-	-	15	15.63%	14,000	0.06%
8,000	-	-	15	15.63%	14,000	0.06%
9,000	-	-	15	15.63%	14,000	0.06%
10,000	-	-	15	15.63%	14,000	0.06%
10,001 to 12,000	2	22,000	17	17.71%	36,000	0.16%
12,001 to 14,000	1	13,000	18	18.75%	49,000	0.22%
14,001 to 16,000	-	-	18	18.75%	49,000	0.22%
16,001 to 18,000	1	17,000	19	19.79%	66,000	0.30%
18,001 to 20,000	1	19,000	20	20.83%	85,000	0.38%
20,001 to 25,000	3	67,500	23	23.96%	152,500	0.69%
25,001 to 30,000	4	110,000	27	28.13%	262,500	1.19%
30,001 to 35,000	2	65,000	29	30.21%	327,500	1.48%
35,001 to 40,000	2	75,000	31	32.29%	402,500	1.82%
40,001 to 50,000	3	135,000	34	35.42%	537,500	2.43%
50,001 to 60,000	-	-	34	35.42%	537,500	2.43%
60,001 to 70,000	-	-	34	35.42%	537,500	2.43%
70,001 to 80,000	1	75,000	35	36.46%	612,500	2.77%
80,001 to 90,000	3	255,000	38	39.58%	867,500	3.92%
90,001 to 100,000	-	-	38	39.58%	867,500	3.92%
110,300	1	110,300	39	40.63%	977,800	4.42%
117,500	1	117,500	40	41.67%	1,095,300	4.95%
121,400	1	121,400	41	42.71%	1,216,700	5.49%
123,900	1	123,900	42	43.75%	1,340,600	6.05%
127,300	1	127,300	43	44.79%	1,467,900	6.63%
129,900	1	129,900	44	45.83%	1,597,800	7.22%
130,300	1	130,300	45	46.88%	1,728,100	7.80%
133,000	1	133,000	46	47.92%	1,861,100	8.40%
135,800	1	135,800	47	48.96%	1,996,900	9.02%
137,300	1	137,300	48	50.00%	2,134,200	9.64%
145,900	1	145,900	49	51.04%	2,280,100	10.30%
147,800	1	147,800	50	52.08%	2,427,900	10.96%
148,400	1	148,400	51	53.13%	2,576,300	11.63%
152,400	1	152,400	52	54.17%	2,728,700	12.32%
155,200	1	155,200	53	55.21%	2,883,900	13.02%
159,100	1	159,100	54	56.25%	3,043,000	13.74%
173,200	1	173,200	55	57.29%	3,216,200	14.52%
173,400	1	173,400	56	58.33%	3,389,600	15.31%
183,100	1	183,100	57	59.38%	3,572,700	16.13%
189,100	1	189,100	58	60.42%	3,761,800	16.99%
191,500	1	191,500	59	61.46%	3,953,300	17.85%
191,600	1	191,600	60	62.50%	4,144,900	18.72%
194,400	1	194,400	61	63.54%	4,339,300	19.60%
214,300	1	214,300	62	64.58%	4,553,600	20.56%
221,500	1	221,500	63	65.63%	4,775,100	21.56%
225,600	1	225,600	64	66.67%	5,000,700	22.58%
232,300	1	232,300	65	67.71%	5,233,000	23.63%
239,600	1	239,600	66	68.75%	5,472,600	24.71%
265,200	1	265,200	67	69.79%	5,737,800	25.91%
279,300	1	279,300	68	70.83%	6,017,100	27.17%
281,900	1	281,900	69	71.88%	6,299,000	28.44%
290,400	1	290,400	70	72.92%	6,589,400	29.76%
295,000	1	295,000	71	73.96%	6,884,400	31.09%
298,000	1	298,000	72	75.00%	7,182,400	32.43%
304,900	1	304,900	73	76.04%	7,487,300	33.81%
311,700	1	311,700	74	77.08%	7,799,000	35.22%
340,000	1	340,000	75	78.13%	8,139,000	36.75%
349,300	1	349,300	76	79.17%	8,488,300	38.33%
359,500	1	359,500	77	80.21%	8,847,800	39.95%
409,800	1	409,800	78	81.25%	9,257,600	41.81%
433,800	1	433,800	79	82.29%	9,691,400	43.76%
440,100	1	440,100	80	83.33%	10,131,500	45.75%
479,600	1	479,600	81	84.38%	10,611,100	47.92%
490,600	1	490,600	82	85.42%	11,101,700	50.13%
493,100	1	493,100	83	86.46%	11,594,800	52.36%
511,800	1	511,800	84	87.50%	12,106,600	54.67%
523,100	1	523,100	85	88.54%	12,629,700	57.03%
534,000	1	534,000	86	89.58%	13,163,700	59.44%
542,600	1	542,600	87	90.63%	13,706,300	61.89%
605,000	1	605,000	88	91.67%	14,311,300	64.63%
626,400	1	626,400	89	92.71%	14,937,700	67.46%
630,500	1	630,500	90	93.75%	15,568,200	70.30%
705,800	1	705,800	91	94.79%	16,274,000	73.49%
717,200	1	717,200	92	95.83%	16,991,200	76.73%
1,059,000	1	1,059,000	93	96.88%	18,050,200	81.51%
1,098,600	1	1,098,600	94	97.92%	19,148,800	86.47%
1,156,300	1	1,156,300	95	98.96%	20,305,100	91.69%
1,839,500	1	1,839,500	96	100.00%	22,144,600	100.00%
	96	22,144,600				

Average Number of Customers 8
Average Consumption 230,673
Median Consumption 100,737

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

3 inch meter - Government

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-		-	-	0.00%	-	0.00%
1,000		-	-	0.00%	-	0.00%
2,000		-	-	0.00%	-	0.00%
3,000	1	2,500	1	8.33%	2,500	1.47%
4,000	1	3,500	2	16.67%	6,000	3.54%
5,000		-	2	16.67%	6,000	3.54%
6,000		-	2	16.67%	6,000	3.54%
7,000		-	2	16.67%	6,000	3.54%
8,000		-	2	16.67%	6,000	3.54%
9,000		-	2	16.67%	6,000	3.54%
10,000	1	9,500	3	25.00%	15,500	9.14%
10,001 to 12,000	1	11,000	4	33.33%	26,500	15.63%
12,001 to 14,000		-	4	33.33%	26,500	15.63%
14,001 to 16,000	3	45,000	7	58.33%	71,500	42.18%
16,001 to 18,000	2	34,000	9	75.00%	105,500	62.24%
18,001 to 20,000	1	19,000	10	83.33%	124,500	73.45%
20,001 to 25,000	2	45,000	12	100.00%	169,500	100.00%
25,001 to 30,000		-	12	100.00%	169,500	100.00%
30,001 to 35,000		-	12	100.00%	169,500	100.00%
35,001 to 40,000		-	12	100.00%	169,500	100.00%
40,001 to 50,000		-	12	100.00%	169,500	100.00%
50,001 to 60,000		-	12	100.00%	169,500	100.00%
60,001 to 70,000		-	12	100.00%	169,500	100.00%
70,001 to 80,000		-	12	100.00%	169,500	100.00%
80,001 to 90,000		-	12	100.00%	169,500	100.00%
90,001 to 100,000		-	12	100.00%	169,500	100.00%
Over 100,000		-	12	100.00%	169,500	100.00%
		12	169,500			

Average Number of Customers 1
Average Consumption 14,125
Median Consumption 15,800

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

4 inch meter - Government

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-		-	-	0.00%	-	0.00%
1,000		-	-	0.00%	-	0.00%
2,000		-	-	0.00%	-	0.00%
3,000		-	-	0.00%	-	0.00%
4,000		-	-	0.00%	-	0.00%
5,000		-	-	0.00%	-	0.00%
6,000		-	-	0.00%	-	0.00%
7,000		-	-	0.00%	-	0.00%
8,000		-	-	0.00%	-	0.00%
9,000	1	8,500	1	8.33%	8,500	1.99%
10,000		-	1	8.33%	8,500	1.99%
10,001 to 12,000		-	1	8.33%	8,500	1.99%
12,001 to 14,000		-	1	8.33%	8,500	1.99%
14,001 to 16,000		-	1	8.33%	8,500	1.99%
16,001 to 18,000		-	1	8.33%	8,500	1.99%
18,001 to 20,000	1	19,000	2	16.67%	27,500	6.43%
20,001 to 25,000	1	22,500	3	25.00%	50,000	11.70%
25,001 to 30,000	1	27,500	4	33.33%	77,500	18.13%
30,001 to 35,000	2	65,000	6	50.00%	142,500	33.33%
35,001 to 40,000	2	75,000	8	66.67%	217,500	50.88%
40,001 to 50,000	2	90,000	10	83.33%	307,500	71.93%
50,001 to 60,000	1	55,000	11	91.67%	362,500	84.80%
60,001 to 70,000	1	65,000	12	100.00%	427,500	100.00%
70,001 to 80,000		-	12	100.00%	427,500	100.00%
80,001 to 90,000		-	12	100.00%	427,500	100.00%
90,001 to 100,000		-	12	100.00%	427,500	100.00%
Over 100,000		-	12	100.00%	427,500	100.00%
	12	427,500				

Average Number of Customers 1
Average Consumption 35,625
Median Consumption 35,000

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

3 Inch Meter - Hydrant

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-		-	-	0.00%	-	0.00%
1,000		-	-	0.00%	-	0.00%
2,000		-	-	0.00%	-	0.00%
3,000		-	-	0.00%	-	0.00%
4,000		-	-	0.00%	-	0.00%
5,000		-	-	0.00%	-	0.00%
6,000		-	-	0.00%	-	0.00%
7,000		-	-	0.00%	-	0.00%
8,000		-	-	0.00%	-	0.00%
9,000		-	-	0.00%	-	0.00%
10,000		-	-	0.00%	-	0.00%
10,001 to 12,000		-	-	0.00%	-	0.00%
12,001 to 14,000		-	-	0.00%	-	0.00%
14,001 to 16,000		-	-	0.00%	-	0.00%
16,001 to 18,000		-	-	0.00%	-	0.00%
18,001 to 20,000		-	-	0.00%	-	0.00%
20,001 to 25,000		-	-	0.00%	-	0.00%
25,001 to 30,000	1	27,500	1	100.00%	27,500	100.00%
30,001 to 35,000		-	1	100.00%	27,500	100.00%
35,001 to 40,000		-	1	100.00%	27,500	100.00%
40,001 to 50,000		-	1	100.00%	27,500	100.00%
50,001 to 60,000		-	1	100.00%	27,500	100.00%
60,001 to 70,000		-	1	100.00%	27,500	100.00%
70,001 to 80,000		-	1	100.00%	27,500	100.00%
80,001 to 90,000		-	1	100.00%	27,500	100.00%
90,001 to 100,000		-	1	100.00%	27,500	100.00%
Over 100,000		-	1	100.00%	27,500	100.00%
	1	27,500				

Average Number of Customers 0
Average Consumption 27,500
Median Consumption 27,500

Supporting Schedules:

Recap Schedules:

EXHIBIT 3

NAME OF COMPANY	Valle Verde Water Company
ADEQ Public Water System Number:	12-009

WATER USE DATA SHEET

MONTH/YEAR (12 Months of Test Year)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
January-12	674	4,090	4,267	-
February-12	658	3,812	5,213	-
March-12	673	4,316	4,994	-
April-12	672	3,942	4,526	-
May-12	684	4,284	4,827	-
June-12	672	4,849	6,832	-
July-12	680	4,350	3,755	-
August-12	674	4,807	3,122	-
September-12	671	4,172	7,847	-
October-12	669	4,333	7,011	-
November-12	672	4,540	4,793	-
December-12	672	4,275	5,246	-
TOTALS		51,770	62,433	-

Is the water utility located in an ADWR Active Management Area ("AMA")?

YES

NO

Does the Company have an ADWR Gallons Per Capita Per Day ("GPCPD") requirement?

YES

NO

If Yes, please provide the GPCPD amount: 121

*Note: If you are filing for more than one system, please provide separate data sheets for each system.
For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.*

** Gallons pumped cannot equal or be less than the gallons sold.*

NAME OF COMPANY	Valle Verde Water Company
ADEQ Public Water System Number:	12-025

WATER USE DATA SHEET

MONTH/YEAR (12 Months of Test Year)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
January-12	84	1,970	1,386	-
February-12	89	1,889	2,533	-
March-12	89	1,736	1,907	-
April-12	89	2,567	2,685	-
May-12	90	2,983	3,232	-
June-12	91	5,057	5,222	-
July-12	91	3,464	4,689	-
August-12	91	3,608	2,698	-
September-12	90	1,775	1,802	-
October-12	91	1,684	1,862	-
November-12	91	2,682	2,361	-
December-12	91	2,262	2,361	-
TOTALS		31,677	32,738	-

Is the water utility located in an ADWR Active Management Area (AMA)?

YES

NO

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

YES

NO

If Yes, please provide the GPCPD amount: 121

*Note: If you are filing for more than one system, please provide separate data sheets for each system.
For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.*

** Gallons pumped cannot equal or be less than the gallons sold.*

EXHIBIT 4

Company Name: Valle Verde Water Company	Test Year Ended: 12/31/2012
Name of System: West System	

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-500951 (well #5)	50	350	400	16	6	1982
55-502001 (well #6)	Not in use	Not in use	450	16	6	1982
55-582348 (well #10)	30	450	290	12	6	2001

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS

Horsepower	Quantity
15/well #10	2
30/well #10	3
25/well #6 site	2
50/well #6 site	1
100/well #6 site	2

FIRE HYDRANTS

Quantity Standard	Quantity Other
32	

STORAGE TANKS

800,000/well #6 site	1
200,000/well #10	1

PRESSURE TANKS

Capacity	Quantity
10,000/well #5 & #6	2
7,000	1

Company Name: Valle Verde Water Company	Test Year Ended: 12/31/2012
Name of System: West System	

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	1,222
5		
6	PVC	2,913
8	PVC	10,372
10		
12	PVC	1,770
8	PVC	80 (2012)

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	69
3/4	5
1	9
1 1/2	
2	10
Comp. 3	2
Turbo 3	
Comp. 4	1
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, please list the utility owned assets in each category.

TREATMENT EQUIPMENT:

2 Chlorinators

STRUCTURES:

OTHER:

Company Name: Valle Verde Water Company	Test Year Ended: 12/31/2012
Name of System: East System	

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-617053 (well #1)	Not in use		105	12	4	1954
55-617054 (well #2)	30	350	260	16	6	1972
55-617055 (well #3)	15	130	220	12	3	1971
55-513789 (well #4)	Not in use		203	12	3	1987
55-801847 (well #7)	Not in use		93	10	4	1933

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS

Horsepower	Quantity
15.0	1
7.5	1

FIRE HYDRANTS

Quantity Standard	Quantity Other
13	

STORAGE TANKS

N/A	

PRESSURE TANKS

Capacity	Quantity
7,000	1
3,000	2
7,500	1
10,000	1
2,000	1
200	1

Company Name: Valle Verde Water Company	Test Year Ended: 12/31/2012
Name of System: East System	

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	4,361
3		
4	PVC	38,391
5		
6	PVC	4,117
8		
10		
12		
6	PVC	1,600
6	PVC	2,350
4	PVC	100
6	DIP	189

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	319
3/4	411
1	38
1 1/2	3
2	10
Comp. 3	5
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, please list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

Office 12' x 12'

Chlorinator room 3' x 5'

Well #1 building 24' x 24'

House 32' x '76

OTHER:

EXHIBIT 5



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY
MONITORING ASSISTANCE PROGRAM
ANNUAL SAMPLING FEE INVOICE

6350
state of
AZ
ADEC 2/2012
6181 5494.15

* Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEC as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact Mary Kaye Black at (602) 771-4518 or toll-free within Arizona at (800) 234-5677, extension 771-4518.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-304 and R18-4-305, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 8099	Invoice Number 68243
To: VALLE VERDE WATER CO Attn: SW Utility Management-Compliance PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 12025
	Billing for Calendar Year: 2012
	Due Date: April 6, 2012
	Total Amount Due\$ 494.15
	Amount Paid\$

↑ Keep the top portion for your records. ↑

ADEC Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEC. ↓

ADEC Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 68243

VALLE VERDE WATER CO PO BOX 85160 Attn: SW Utility Management-Compliance TUCSON AZ 85754	Owner Id #: 8099 MAP
12025 - Valle Verde Water Co	Billing for Calendar Year: 2012
	Due Date: 04/06/2012

ANNUAL SAMPLING FEE WORKSHEET

Base Fee (all MAP systems)\$ 250.00

Fee per Connection in 2012 95 connections X \$ 2.57\$ 244.15

Total Sampling Fee\$ 494.15

Plus Paid Interest Charges and/or Other Adjustments\$ 0.00

Plus Unpaid Interest Charges as of 02/21/2012\$ 0.00

Minus Payments Received and/or Other Adjustments\$ 0.00

Amount Due\$ 494.15

Amount received by ADEC (Make check payable to State of Arizona)\$

* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality
PO Box 18228
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:

CS 02/21/2012
WATSON



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY
MONITORING ASSISTANCE PROGRAM
ANNUAL SAMPLING FEE INVOICE

State of AZ

6350
618
AZDER 2/2012
618 \$2115.82



Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact Mary Kaye Black at (602) 771-4518 or toll-free within Arizona at (800) 234-5677, extension 771-4518.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-304 and R18-4-305, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 8099	Invoice Number 68242
To: VALLE VERDE WATER CO Attn: SW Utility Management-Compliance PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 12009
	Billing for Calendar Year: 2012
	Due Date: April 6, 2012
	Total Amount Due\$ 2,115.82
	Amount Paid\$

↑ Keep the top portion for your records. ↑

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 68242

VALLE VERDE WATER CO PO BOX 85160 Attn: SW Utility Management-Compliance TUCSON AZ 85754	Owner Id #: 8099 MAP
	Billing for Calendar Year: 2012
12009 - Valle Verde Water Co	Due Date: 04/06/2012

ANNUAL SAMPLING FEE WORKSHEET

Base Fee (all MAP systems)\$ 250.00
Fee per Connection in 2012 726 connections X \$ 2.57\$ 1,865.82
Total Sampling Fee\$ 2,115.82
Plus Paid Interest Charges and/or Other Adjustments\$ 0.00
Plus Unpaid Interest Charges as of 02/21/2012\$ 0.00
Minus Payments Received and/or Other Adjustments\$ 0.00
Amount Due\$ 2,115.82
Amount received by ADEQ (Make check payable to State of Arizona)\$



A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona
THIS FORM MUST ACCOMPANY YOUR REMITTANCE

Mail to: Arizona Department of Environmental Quality
PO Box 18228
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:

CS 02/21/2012

VALLE VERDE WATER CO. TUCSON, AZ 85754

1392

State of Arizona

3/6/2012

Date	Type	Reference
2/29/2012	Bill	68242

Original Amt.
2,115.82

Balance Due
2,115.82

Discount

Check Amount

Payment
2,115.82
2,115.82

Wells Fargo New Acc

2,115.82

Please reorder from Dale Prescott @ (520) 792-1500

PRINTED IN U.S.A.

INFO TEL 806604701



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY
MONITORING ASSISTANCE PROGRAM
ANNUAL SAMPLING FEE INVOICE

6350
State of AZ. ADEQ 2/2012
6181 3494.15

* Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact Mary Kaye Black at (602) 771-4518 or toll-free within Arizona at (800) 234-5677, extension 771-4518.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-304 and R18-4-305, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 8099	Invoice Number 68243
To: VALLE VERDE WATER CO Attn: SW Utility Management-Compliance PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 12025
	Billing for Calendar Year: 2012
	Due Date: April 6, 2012
	Total Amount Due \$ 494.15
	Amount Paid \$

† Keep the top portion for your records. †

ADEQ Federal Tax #866004791

VALLE VERDE WATER CO. TUCSON, AZ 85754

1382

State of Arizona			2/29/2012		
Date	Type	Reference	Original Amt.	Balance Due	Discount
2/29/2012	Bill	68243	494.15	494.15	
				Check Amount	

Payment 494.15

Wells Fargo New Acc

494.15

Please reorder from Dale Prescott @ (520) 792-1500

PRINTED IN U.S.A.

EXHIBIT 6

**ARIZONA CORPORATION COMMISSION
DOCKET CONTROL
1200 W. WASHINGTON
PHOENIX, ARIZONA 85007**

**VALLE VERDE WATER COMPANY
P.O. BOX 85160
TUCSON, ARIZONA 85754
(520) 623-5172**

**RE: COMPLIANCE WITH DECISION/ORDER #73353
Docket #W-W-01431A-09-0360, W-01431A-09-0361, DECISION/ORDER #73353**

Through Date	Journal Entry #	Surcharge Amount "Collected"	Total Transferred From Surcharge Acct. for payment To Southwestern Utility	Balance Due Southwestern Utility
			Beginning Balance Due Southwestern Utility >>>	\$78,589.03
09/10/12	#18016	\$4,987.18	\$4,500.00	\$74,089.03
11/07/12	#19770	\$3,114.64	\$3,300.00	\$70,789.03
12/07/12	#19696	\$3,666.39	\$3,300.00	\$67,489.03
12/19/12	#20048	\$1,400.00	\$1,400.00	\$66,089.03
01/02/13	#20444	\$1,919.33	\$1,855.00	\$64,234.03
01/09/13	#20363	\$1,064.00	\$1,000.00	\$63,234.03
1/23/2013	#20855	\$2,065.00	\$2,000.00	\$61,234.03
2/20/2013	#20504	\$3,132.40	\$3,100.00	\$58,134.03
3/13/2013	#21407	\$2,319.89	\$2,000.00	\$56,134.03
3/28/2013	#21795	\$2,110.48	\$3,200.00	\$52,934.03
4/17/2013	#22059	\$2,308.07	\$2,300.00	\$50,634.03
5/15/2013	#22085	\$2,639.00	\$2,700.00	\$47,934.03
6/26/2013	#23433	\$3,084.00	\$3,000.00	\$44,934.03
7/29/2013	#23669	\$3,507.82	\$3,600.00	\$41,334.03
			\$0.00	
			\$0.00	
F:"SUM" - SUM-VVW Surcharge Statement				
TOTALS		\$37,318.20	\$37,255.00	